Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Sixth Set of Information Requests

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Request No. AG-6-16 (Electric)
Please provide a copy of all updates to the Value Line Investment Surveys for each of the companies in Mr. Hadaway's comparison group.

Response:
Please see attached.

Person Responsible: Samuel C. Hadaway

ALLIANT ENERGY NYSE-LNT

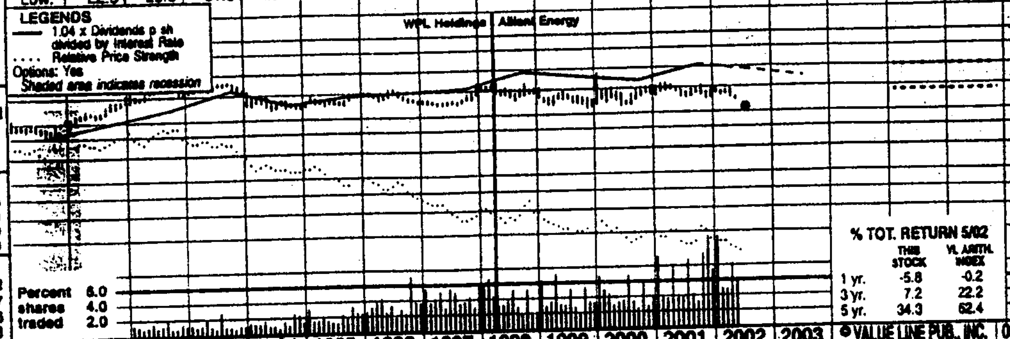
RECENT PRICE 25.25 | P/E RATIO 11.5 (Trailing: 12.0; Median: 14.0) | RELATIVE P/E RATIO 0.64 | DIV'D YLD 7.9% | VALUE LINE 697

High:	32.8	36.4	36.8	32.9	31.6	32.9	34.4	34.9	32.4	37.8	33.2	31.0
Low:	22.6	29.6	31.3	26.4	27.3	27.5	26.8	28.0	25.2	25.8	27.5	24.8

Target Price Range 2005 | 2006 | 2007

TIMELINESS 5 Lowered 5/17/02
SAFETY 2 New 7/10/98
TECHNICAL 4 Lowered 6/28/02
BETA .55 (1.00 = Market)

LEGENDS
— 1.04 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+60%)	18%
Low	30	(+20%)	11%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	1	0	8	0	0	0
Options	0	0	0	0	0	0	5	0	0
to Sell	1	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	66	115	97
to Sell	70	49	66
Hld's(000)	19500	26678	26323

% TOT. RETURN 5/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	-5.8	-0.2
3 yr.	7.2	22.2
5 yr.	34.3	62.4

Alliant Energy, formerly called Interstate Energy Corporation, was formed on April 21, 1998 through the merger of WPL Holdings, IES Industries, and Interstate Power. WPL stockholders received one share of Interstate Energy stock for each WPL share, IES stockholders received 1.14 Interstate Energy shares for each IES share, and Interstate Power stockholders received 1.11 Interstate Energy shares for each Interstate Power share. Data prior to 1998 are for WPL Holdings only and are not comparable with Alliant Energy data.

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
23.86	25.40	26.52	26.23	30.31	29.66	27.45	27.83	30.44	30.97	28.15	29.30	Revenues per sh	33.05
4.56	4.32	4.93	5.13	5.11	5.60	4.85	5.71	6.57	5.82	6.05	6.50	"Cash Flow" per sh	7.25
2.11	2.11	2.24	2.33	2.27	1.90	1.26	2.19	2.47	2.42	2.20	2.50	Earnings per sh A	2.80
1.86	1.90	1.92	1.94	1.97	2.00	2.00	2.00	2.00	2.00	2.00	2.00	Div'd Decl'd per sh B ■	2.00
4.52	4.91	4.01	3.05	4.81	4.10	4.79	6.06	13.50	9.13	6.60	6.55	Cap'l Spending per sh	6.50
17.61	19.15	19.43	19.42	19.74	19.73	20.69	27.29	25.79	21.39	21.65	22.20	Book Value per sh C	24.35
27.31	30.44	30.77	30.77	30.77	30.79	77.63	78.98	79.01	89.68	91.00	91.40	Common Shs Outst'g D	92.00
15.8	16.4	12.8	12.5	13.3	15.0	25.1	13.0	11.8	12.6	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	12.5
.96	.97	.84	.84	.83	.86	1.31	.74	.77	.65			Relative P/E Ratio	.85
5.6%	5.5%	6.7%	6.6%	6.5%	7.0%	6.3%	7.0%	6.9%	6.6%			Avg Ann'l Div'd Yield	5.7%
651.7	773.1	816.2	807.3	932.8	919.3	2130.9	2198.0	2405.0	2777.3	2560	2680	Revenues ($mill)	3040
60.8	66.5	73.5	74.9	69.8	64.6	103.4	178.2	203.1	194.9	205	235	Net Profit ($mill)	265
27.1%	27.4%	32.5%	32.5%	38.2%	30.8%	36.0%	40.3%	54.0%	23.5%	23.0%	23.0%	Income Tax Rate	23.0%
2.2%	1.6%	1.4%	.9%	1.3%	4.3%	6.6%	4.1%	4.3%	5.7%	6.0%	6.0%	AFUDC % to Net Profit	6.0%
43.6%	39.8%	40.5%	39.6%	35.2%	40.7%	47.3%	39.6%	47.0%	54.7%	56.0%	55.5%	Long-Term Debt Ratio	54.0%
50.2%	54.6%	54.1%	54.9%	59.0%	54.0%	49.2%	57.4%	50.2%	42.7%	41.5%	42.5%	Common Equity Ratio	44.0%
958.8	1068.0	1105.9	1087.8	1029.9	1125.1	3262.9	3756.0	4061.4	4490.2	4745	4800	Total Capital ($mill)	5110
1132.9	1220.7	1266.3	1299.9	1294.9	1244.8	3101.7	3486.0	3719.3	3862.8	4115	4350	Net Plant ($mill)	4985
8.1%	8.0%	8.3%	8.3%	8.0%	7.4%	4.9%	6.1%	6.6%	6.2%	6.0%	6.5%	Return on Total Cap'l	7.0%
11.2%	10.3%	11.2%	11.4%	10.5%	9.7%	6.0%	7.9%	9.4%	9.6%	10.0%	11.0%	Return on Shr. Equity	11.0%
11.9%	10.7%	11.7%	12.0%	10.9%	10.1%	6.0%	8.0%	9.6%	9.8%	10.0%	11.0%	Return on Com Equity E	11.5%
5.1%	3.8%	3.5%	2.0%	1.0%	NMF	NMF	.7%	1.9%	1.6%	1.0%	2.0%	Retained to Com Eq	3.5%
60%	67%	72%	84%	92%	100%	NMF	92%	81%	85%	91%	81%	All Div'ds to Net Prof	72%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $2842.8 mill. Due in 5 Yrs $848.0 mill.
LT Debt $2638.9 mill. LT Interest $197.1 mill.
(LT interest earned: 2.1x)
Pension Liability $70 mill. in '01 vs. None in '00
Pfd Stock $114.0 mill. Pfd Div'd $8.7 mill.
449,765 shs. $100 par; 599,460 shs. $25 par; 1,127,787 shs. $50 par.

Common Stock 90,292,143 shs. as of 4/30/02

MARKET CAP: $2.3 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	-2.5	+1.2	-1.3
Avg. Indust. Use (MWH)	4775	4721	4412
Avg. Indust. Revs. per KWH (¢)	3.67	3.83	4.38
Capacity at Peak (Mw)	5277	5188	5153
Peak Load, Summer (Mw)	5394	5397	5677
Annual Load Factor (%)	71.1	67.3	73.5
% Change Customers (yr-end)	+1.2	+1.1	+.5
Fixed Charge Cov. (%)	259	312	195

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	2.5%	1.5%	2.0%
"Cash Flow"	3.0%	3.5%	3.0%
Earnings	.5%	.5%	3.0%
Dividends	1.5%	.5%	Nil
Book Value	4.0%	5.0%	-.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	546.9	486.1	598.3	566.7	2198.0
2000	574.1	523.9	603.2	703.8	2405.0
2001	852.7	611.8	666.3	646.5	2777.3
2002	636.2	600	670	653.8	2560
2003	670	630	700	680	2680

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.54	.22	.86	.57	2.19
2000	.56	.23	.91	.77	2.47
2001	.42	.29	.78	.93	2.42
2002	.11	.30	.90	.89	2.20
2003	.40	.30	.90	.90	2.50

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.50	.50	.50	.50	2.00
1999	.50	.50	.50	.50	2.00
2000	.50	.50	.50	.50	2.00
2001	.50	.50	.50	.50	2.00
2002	.50	.50			

BUSINESS: Alliant Energy, formerly named Interstate Energy, is a holding company formed through the merger of WPL Holdings, IES Industries, and Interstate Power. Supplies elect. (63% of revs.), gas (18%), and other services (19%) in Wisconsin, Iowa, Minnesota, & Illinois. Revs. by state: WI, 42%; IA, 53%; MN, 3%; IL, 2%. Elect. rev. breakdown: resid., 24%; comm'l, 18%; ind'l, 41%; wholesale, 16%; other, 1%. Fuel sources, '01: coal & gas, 58%; nuclear, 13%; other, 2%; purch., 27%. Fuel costs: 48% of revs. '01 deprec. rate: 3.6%. Est'd plant age: 11 yrs. Has 8,585 empls., 58,288 com. stkhdrs. Chrmn., Pres. & CEO: Erroll B. Davis Jr. Inc.: WI. Address: 4902 N. Biltmore Lane, P.O. Box 77007, Madison, WI 53707-1007. Tel.: 608-458-3391. Internet: www.alliant-energy.com.

Alliant Energy has several rate cases pending. In anticipation of the April, 2002 expiration of the rate moratorium in Wisconsin and Iowa, the company filed for higher tariffs in both jurisdictions. In Wisconsin, it requested a total of $85 million in electric, gas, and water rates to cover increased business costs. It was awarded an interim hike of $49 million in April, subject to refund if final rates are set lower. LNT asked for another $59 million in Wisconsin starting in 2003 as reimbursement for investments in reliability and for fuel and purchased-power costs. In Iowa, the company seeks an increase of $82 million in electric revenues for infrastructure expenditures and is asking for $22 million in interim relief. It plans to file a gas case later this summer. Based on prior rate decisions, we expect LNT's Wisconsin requests to fare reasonably well. Good treatment is less certain in Iowa.

A major plant construction program is under way. Rising energy demand in LNT's service area, estimated at 100 megawatts (mw) yearly, and a negative reserve margin indicate the need for new power sources shortly. To meet its obligations, the company expects to add 1,200 mw of capacity in Iowa and 800 mw in Wisconsin over the next several years. It plans to build some of the new plants itself and purchase the balance of its requirements. It has already contracted to buy the output for eight years of a 450-mw peaker built by Calpine and will construct a 500-mw gas-fired unit itself at a cost of $400 million.

A weak first quarter points to lower earnings in 2002. March interim results were hurt by warm weather and lower oil and gas prices. For the rest of the year, the picture looks brighter. Foreign operations are improving, particularly in Brazil where energy rationing was lifted in March. Rate relief is another plus. Overall, we estimate a 9% decline in 2002 earnings, to $2.20 a share, and a rebound next year. The stock is untimely.

The yield is more than two percentage points above the industry norm. But don't look for a dividend hike for a while, because of the need to preserve cash for the building program. In all, we are neutral on these shares.

Arthur H. Medalie — *July 5, 2002*

(A) Diluted EPS. Excl. nonrecur. gains (losses): '94, (11¢); '95, (43¢); '96, (4¢) and 11¢; '99, 32¢; '00, $2.56; '01, (28¢). Next egs. rpt. due late July. (B) Next div'd mtg. mid-July. Goes ex late July. Div'd pmnt dates: Feb. 14, May 15, Aug. 15, Nov. 14. ■ Div'd reinvest. plan avail. (C) Incl. deferred chgs. in '01: $361.5 mill., $4.03/sh. (D) In mill. (E) Rate base: Orig. cost. Rate allowed on com. eq.: in '95, WI, 11.7%; in '98, IA, 11.4%; earned on avg. com. eq., '01: 8.7%. Regul. Clim.: WI, Above Avg.; IA, Below Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	NMF
Earnings Predictability	80

AMEREN NYSE-AEE

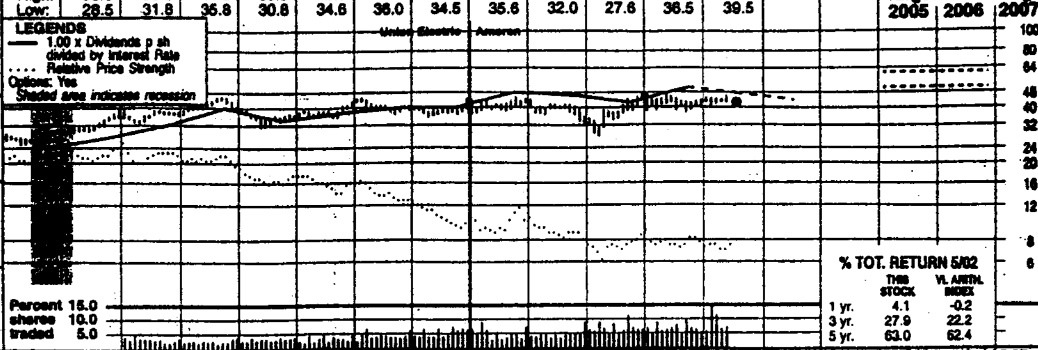
RECENT PRICE	P/E RATIO	(Trailing / Median)	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
41.86	13.3	(Trailing: 12.3; Median: 13.0)	0.74	6.1%	698

TIMELINESS 4 Lowered 5/24/02
SAFETY 1 Raised 7/17/02
TECHNICAL 3 Raised 2/8/02
BETA .55 (1.00 = Market)

High:	38.6	38.8	44.6	39.5	42.0	44.1	43.8	44.3	42.9	46.9	46.0	45.3
Low:	28.5	31.8	35.8	30.8	34.6	36.0	34.5	35.6	32.0	27.6	36.5	39.5

Target Price Range 2005 | 2006 | 2007

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+45%)	14%
Low	50	(+20%)	10%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	1	1	1	0	0	0	0	0
to Sell	0	1	1	1	1	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	97	109	121
to Sell	115	110	97
Hld's(000)	56662	63805	61085

% TOT. RETURN 5/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	4.1	-0.2
3 yr.	27.9	22.2
5 yr.	63.0	62.4

Ameren was formed on December 31, 1997 through the merger of Union Electric and CIPSCO. Each common share of Union Electric was exchanged for 1.00 share of Ameren, while each common share of CIPSCO was exchanged for 1.03 Ameren shares. Premerger data are for Union Electric only and are not comparable to Ameren data.

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
19.73	20.23	20.13	20.59	22.13	24.24	24.18	25.68	28.10	32.64	33.30	34.65	Revenues per sh	38.85
4.98	4.83	5.13	5.14	5.12	4.96	5.36	5.36	6.11	6.33	6.15	6.40	"Cash Flow" per sh	7.25
2.65	2.77	3.01	2.95	2.86	2.44	2.82	2.81	3.33	3.41	3.15	3.30	Earnings per sh A	3.75
2.26	2.34	2.40	2.46	2.51	2.54	2.54	2.54	2.54	2.54	2.54	2.54	Div'd Decl'd per sh B =	2.62
2.54	2.61	3.08	3.05	3.18	2.77	2.37	4.16	6.77	8.00	4.60	4.15	Cap'l Spending per sh	3.10
21.19	21.60	22.22	22.71	23.06	22.00	22.27	22.52	23.30	24.25	25.45	28.20	Book Value per sh C	28.25
102.12	102.12	102.12	102.12	102.12	137.22	137.22	137.22	137.22	138.05	144.20	144.20	Common Shs Outst'g E	144.20
13.4	14.6	11.6	12.6	13.8	15.5	14.2	13.5	11.0	12.1	Bold figures are		Avg Ann'l P/E Ratio	14.5
.81	.86	.76	.84	.86	.89	.74	.77	.72	.63	Value Line		Relative P/E Ratio	.95
6.4%	5.8%	6.9%	6.6%	6.3%	6.7%	6.3%	6.7%	6.9%	6.2%	estimates		Avg Ann'l Div'd Yield	4.8%
2015.1	2066.0	2056.1	2102.7	2260.4	3326.5	3318.2	3523.6	3855.8	4505.9	4800	5000	Revenues ($mill)	5600
284.7	297.2	320.8	314.1	304.9	347.3	399.1	397.8	469.8	480.9	470	490	Net Profit ($mill)	555
38.7%	37.7%	39.2%	40.0%	39.3%	40.3%	40.1%	39.4%	39.1%	39.0%	38.0%	38.0%	Income Tax Rate	38.0%
2.8%	3.9%	3.5%	4.1%	4.4%	3.7%	3.0%	3.6%	2.9%	4.3%	4.0%	4.0%	AFUDC % to Net Profit	3.0%
41.1%	42.1%	42.3%	41.0%	41.1%	43.5%	41.0%	42.4%	44.4%	44.2%	45.0%	45.0%	Long-Term Debt Ratio	44.0%
53.5%	52.6%	52.6%	53.9%	53.9%	52.4%	54.8%	53.5%	51.8%	52.2%	52.0%	52.0%	Common Equity Ratio	53.0%
4042.1	4192.0	4311.7	4302.0	4372.6	5760.2	5580.7	5773.4	6176.9	6419.3	7085	7295	Total Capital ($mill)	7930
5201.4	5265.0	5344.6	5435.4	5382.7	6987.1	6928.0	7165.2	7705.7	8426.6	8660	8815	Net Plant ($mill)	8725
8.7%	8.6%	9.1%	8.9%	8.5%	7.5%	8.7%	8.2%	8.9%	8.9%	8.0%	8.0%	Return on Total Cap'l	8.5%
11.9%	12.3%	12.9%	12.4%	11.8%	10.7%	12.1%	12.0%	13.7%	13.4%	12.0%	12.0%	Return on Shr. Equity	12.5%
12.5%	12.8%	13.6%	13.0%	12.4%	11.1%	12.6%	12.5%	14.3%	14.0%	12.5%	12.5%	Return on Com Equity D	13.0%
1.8%	2.0%	2.8%	2.2%	1.5%	.1%	1.2%	1.2%	3.4%	3.3%	2.5%	3.0%	Retained to Com Eq	4.0%
86%	85%	80%	84%	88%	99%	90%	91%	77%	75%	81%	78%	All Div'ds to Net Prof	71%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $3523.0 mill. Due in 5 Yrs $790.3 mill.
LT Debt $3281.0 mill. LT Interest $185.6 mill.
(Incl. debt discount of $8.0 mill.)
(LT interest earned: 5.1x)

Pension Liability $193.0 mill.in '01, vs. $3.0 mill. in '00
Pfd Stock $235.2 mill. Pfd Div'd $12.4 mill.
3,137,595 shs. $3.50 to $7.64 cum. (no par), stated at liquid. value; 1,657,500 shs. $1.735, $25 par. 800,000 shs. 4.00% to 6.625%.

Common Stock 144,347,116 shs. as of 5/10/02.

MARKET CAP: $6.0 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	-1.0	+8.4	+4.0
Avg. Indust. Use (MWH)	1866	2000	2223
Avg. Indust. Revs. per KWH (¢)	4.37	4.24	4.11
Capacity at Peak (Mw)	11697	12919	13296
Peak Load, Summer (Mw)	11048	11640	11505
Annual Load Factor (%)	51.9%	52.5	64.2
% Change Customers (yr-end)	+1.1	+.8	+.4
Fixed Charge Cov. (%)	442	459	429

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	3.5%	6.5%	5.0%
"Cash Flow"	1.5%	3.0%	3.5%
Earnings	1.0%	1.5%	3.0%
Dividends	2.0%	.5%	.5%
Book Value	1.5%	.5%	4.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	735.9	859.4	1194	734.3	3523.6
2000	825.4	940.3	1195	894.7	3855.8
2001	1024	1057	1432	992.9	4505.9
2002	1115	1150	1500	1035	4800
2003	1160	1200	1550	1090	5000

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.40	.63	1.82	d.04	2.81
2000	.45	.83	1.87	.18	3.33
2001	.43	.69	1.94	.35	3.41
2002	.42	.65	1.88	.20	3.15
2003	.43	.70	1.95	.22	3.30

Cal-endar	QUARTERLY DIVIDENDS PAID B = Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.635	.635	.635	.635	2.54
1999	.635	.635	.635	.635	2.54
2000	.635	.635	.635	.635	2.54
2001	.635	.635	.635	.635	2.54
2002	.635	.635			

BUSINESS: Ameren Corp. is a holding company formed through the merger of Union Electric and CIPSCO. Supplies elect. and gas to 1,800,000 customers in Missouri (70% elect. revs.) and Illinois (30%). Elect. revs.: resid., 38%; commer., 35%; indust., 18%; other, 9%. Largest indust. customers: primary metals, chemicals, transportation equipment, petroleum refining. 2001 fuels: fossil, 74%; nuclear, 14%; hydro, 2%; interchange, 10%. Fuel costs, 40% of revs.; labor costs, 12%. 2001 deprec. rate: 3.0%. Est'd plant age: 16 years. Has 7,447 employees, 103,900 stockholders. Chrmn.& CEO: Charles W. Mueller. Pres.: Gary L. Rainwater. Inc.: Missouri. Address: 1901 Chouteau Street, St. Louis, Missouri 63166. Telephone: 314-621-3222. Internet: www.ameren.com.

Ameren has an agreement to buy CILCORP, an Illinois-based subsidiary of AES. The deal calls for a cash payment of $560 million and the assumption of $820 million of CILCORP debt. The cash portion will be financed largely with the sale of equity. The price is near book value. The purchase, which includes 1,200 megawatts of mostly coal-fired generation, will make Ameren Illinois' second-largest electric utility. Through coal-buying economies, the alliance will probably save $15 million in the first year after closing. By year three, these savings ought to reach $35 million. That, plus other cost reductions, should boost annual earnings by $0.05 a share for some time to come. The acquisition requires regulatory sanction. It will likely close in 12 months.

The company awaits an order on its electric rate filing in Missouri. The six-year alternative rate plan that expired on June 30, 2001, allowed AEE a 14% return on equity and provided for sharing with ratepayers over that figure. But the commission staff contended that the company was overearning and recommended rate reductions of $246 million to $285 million and lowering of the allowed return to a range of 8.91% to 9.11%, based on an early test year. In rebuttal, management proposed reducing annual rates by $15 million for three years in return for the commission renewing the expired plan. It is also negotiating with interested parties to reach a consensus. We expect a regulatory order in early fall.

Earnings are headed lower in 2002. Profits from new plants that began operating since mid-2001 and a likely 1%-2% increase in retail energy sales are pluses. But lower prices will hurt wholesale sales, and an increase in common shares to pay for the CILCORP acquisition will be earnings dilutive. All told, we estimate an 8% decline in 2002 earnings, to $3.15 a share. Next year's results will depend largely on the outcome of the pending rate case.

We rate the stock an average utility holding. The high yield might interest income-oriented investors, and Ameren's finances are strong. But the need to preserve cash to finance new plant construction suggests no dividend boost for this untimely stock for a while.

Arthur H. Medalie *July 5, 2002*

(A) EPS basic. Excl. nonrecur. gain: '92, 18¢. Next egs. report due late July. (B) Next div'd meeting late Aug. Next ex date early Sept. Div'd pymnt. dates: March 31, June 30, Sept. 30, Dec. 29. = Div'd reinvestment plan avail. (C) Incl. deferred chgs. in '01, $5.59/sh. (D) Rate base: orig. cost depreciated. Rate allowed in MO on common equity in '96: 14.0%; earned on average com. eq. in '01: 14.3%. Regul. Clim.: Average. (E) In millions.

Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	10
Earnings Predictability	90

CINERGY NYSE-CIN

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
35.27	12.8	(Trailing: 13.7 Median: 13.0)	0.72	5.1%	702

High:	26.8	26.6	29.6	27.6	31.1	34.3	39.1	39.9	34.9	35.3	35.6	37.2
Low:	18.6	22.3	23.9	20.8	23.4	27.5	32.0	30.8	23.4	20.0	28.0	31.0

TIMELINESS 3 Raised 6/9/00
SAFETY 2 New 1/13/95
TECHNICAL 3 Lowered 6/21/02
BETA .55 (1.00 = Market)

2005-07 PROJECTIONS

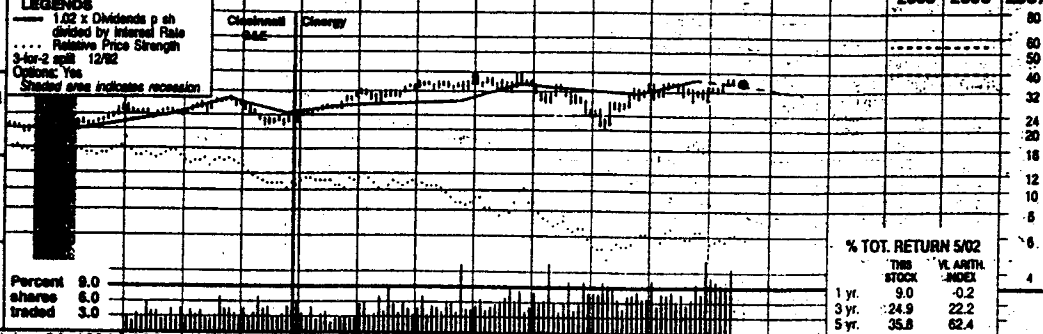
	Price	Gain	Ann'l Total Return
High	55	(+55%)	16%
Low	40	(+15%)	8%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	1	2	0	0	5	1
to Sell	0	0	0	0	1	0	0	5	2

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	132	149	154
to Sell	118	114	116
Hld's(000)	95692	103696	105007



% TOT. RETURN 5/02	THIS STOCK	VL ARITH. INDEX
1 yr.	9.0	-0.2
3 yr.	24.9	22.2
5 yr.	35.8	62.4

Cinergy was formed on October 24, 1994 through the merger of Cincinnati Gas & Electric and PSI Resources. Each common share of Cincinnati Gas & Electric was exchanged for 1.00 share of Cinergy, while each common share of PSI Resources was exchanged for 1.023 Cinergy shares. Premerger data are figures for Cincinnati Gas & Electric only and are not comparable to Cinergy data.

1992	1993	1994	1995	1996[E]	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
17.98	19.89	18.84	19.23	20.57	27.59	37.04	37.36	52.98	81.07	55.40	58.90	Revenues per sh	68.60
3.66	3.87	3.13	3.98	3.99	4.75	4.02	4.34	4.87	5.15	5.20	5.50	"Cash Flow" per sh	6.30
2.04	2.16	1.30	2.22	2.19	2.30	1.97	2.10	2.50	2.75	2.75	2.85	Earnings per sh A	3.15
1.65	1.68	1.72	1.72	1.74	1.80	1.80	1.80	1.80	1.80	1.80	1.80	Div'd Decl'd per sh B■	1.88
2.54	2.26	3.09	2.06	2.05	2.08	2.32	2.43	3.27	5.31	5.40	4.20	Cap'l Spending per sh	3.30
19.16	17.25	15.56	16.17	16.39	16.10	16.02	16.70	17.36	18.45	19.75	20.80	Book Value per sh C	24.45
86.39	88.06	155.20	157.67	157.68	157.74	158.66	158.92	158.97	159.40	167.20	167.20	Common Shs Outst'g F	167.40
11.9	12.5	17.8	11.9	14.1	14.9	17.6	14.2	11.0	11.7	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.0
.72	.74	1.17	.80	.88	.86	.92	.81	.72	.61			Relative P/E Ratio	1.00
6.8%	6.2%	7.4%	6.5%	5.6%	5.3%	5.2%	6.1%	6.6%	5.6%			Avg Ann'l Div'd Yield	4.0%
1553.4	1751.7	2924.2	3031.4	3242.7	4352.8	5876.3	5937.9	8422.0	12923	9260	9850	Revenues ($mill)	11650
202.3	214.0	226.7	378.0	369.0	472.0	318.1	340.8	404.1	446.8	460	500	Net Profit ($mill)	550
32.2%	31.7%	40.2%	36.7%	37.2%	34.5%	26.9%	38.0%	38.4%	36.4%	36.0%	36.0%	Income Tax Rate	36.0%
8.7%	3.1%	8.2%	2.7%	2.0%	1.2%	.5%	1.2%	2.0%	7.3%	5.0%	4.0%	AFUDC % to Net Profit	4.0%
47.7%	49.7%	48.4%	46.3%	47.7%	44.2%	49.7%	52.1%	50.2%	52.1%	49.0%	47.5%	Long-Term Debt Ratio	44.0%
43.6%	41.3%	43.1%	46.6%	48.6%	52.2%	48.5%	46.3%	48.2%	42.6%	46.0%	47.5%	Common Equity Ratio	51.5%
3795.0	3678.3	5607.5	5467.5	5313.7	4868.1	5238.3	5735.6	5728.2	6907.4	7170	7345	Total Capital ($mill)	7960
3945.4	3785.6	6198.9	6251.1	6289.6	6297.1	6344.5	6417.5	6630.4	8236.9	8725	8985	Net Plant ($mill)	9085
7.4%	7.9%	6.0%	8.9%	8.7%	11.6%	7.7%	7.7%	8.4%	7.9%	8.0%	8.0%	Return on Total Cap'l	8.0%
10.2%	11.6%	7.8%	12.9%	13.3%	17.4%	12.1%	12.4%	14.2%	13.5%	13.0%	13.0%	Return on Shr. Equity	12.5%
10.6%	12.4%	7.9%	13.6%	13.4%	18.1%	12.3%	12.6%	14.5%	15.0%	14.0%	13.5%	Return on Com Equity D	13.0%
2.0%	2.8%	NMF	3.1%	2.8%	6.9%	1.1%	1.9%	4.1%	5.3%	5.0%	5.0%	Retained to Com Eq	5.0%
83%	80%	113%	79%	81%	63%	91%	86%	72%	65%	67%	65%	All Div'ds to Net Prof	62%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $4660.3 mill. Due in 5 Yrs $2340.6 mill.
LT Debt $3585.5 mill. LT Interest $193.6 mill.
(LT interest earned: 4.4x)
Pension Liability $208.1 mill. in '01 vs. $20.9 mill. in '00
Pfd Stock $369.6 mill. Pfd Div'd $4.5 mill.
552,451 shs. 3.5% to 6.875% ($100 par); callable at $100 to $108 a sh.; 303,544 shs. 4.16% to 4.32% $25 par, call. at $25; $306.3 mill. preferred trust securities.

Common Stock 167,072,010 shs. as of 4/30/02
MARKET CAP: $5.9 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+6.7	+3.8	-1.0
Avg. Indust. Use (MWH)	2899	2880	2751
Avg. Indust. Revs. per KWH (¢)	3.86	3.79	4.10
Capacity at Peak (Mw)	11014	10996	11083
Peak Load, Summer (Mw)	10678	10141	11091
Annual Load Factor (%)	57.3	63.8	NA
% Change Customers (yr-end)	+1.8	+2.0	+1.3
Fixed Charge Cov. (%)	293	365	328

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	12.0%	24.0%	3.5%
"Cash Flow"	2.0%	5.5%	4.5%
Earnings	-.5%	5.0%	4.5%
Dividends	1.0%	1.0%	.5%
Book Value	--	2.0%	5.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	1402	1276	1782	1478	5937.9
2000	1583	1770	2300	2769	8422.0
2001	3707	3642	3324	2250	12923
2002	2204	2250	2500	2306	9260
2003	2350	2400	2650	2450	9850

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.80	.37	.33	.60	2.10
2000	.87	.47	.58	.58	2.50
2001	.75	.51	.80	.69	2.75
2002	.58	.47	.90	.80	2.75
2003	.70	.50	.88	.77	2.85

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.45	.45	.45	.45	1.80
1999	.45	.45	.45	.45	1.80
2000	.45	.45	.45	.45	1.80
2001	.45	.45	.45	.45	1.80
2002	.45	.45			

BUSINESS: Cinergy Corp. is a holding company formed through the merger of Cincinnati Gas & Electric and PSI Resources. Supplies elect. (81% of revs.) to 1,500,000 customers, natural gas (19%) to 496,000 customers, in Ohio, Kentucky, and Indiana. Elect. (Gas) revs.: resid. 41% (64%); commer., 29% (27%); indust., 26% (5%); other 4% (4%). The primary metal and chemical industries are the largest customers. Fuel costs: 35% of revenues. '01 deprec. rate: 4.2%. Est'd plant age: 12 years. Fuels: coal, 90%; purchased power, 7%; other, 3%. Has 8,769 employees, 58,601 common stockholders. Chairman, President & CEO: James E. Rogers. Inc.: Delaware. Address: 139 East 4th St., Cincinnati, OH 45202. Tel.: 513-381-2000. Internet: www.cinergy.com.

A recent report stated that Cinergy might be a takeover candidate. The Weekly Business Newspaper of Greater Louisville reported that German utility E.on AG seeks an acquisition in the U.S. Midwest and that rumors center on Cinergy and DPL. CEO James Rogers previously indicated that CIN would be open to an alliance if it would strengthen the company's balance sheet and reduce costs. A Cinergy spokesman declined comment on the merger speculation.

The company has received higher gas rates. Last May, the Ohio regulators awarded the CG&E utility $15 million on a request for $26 million. This was CG&E's first gas increase in six years. More importantly, it was granted $30 million to $40 million annually for the next six years to cover expenditures for replacing gas mains. In Kentucky, the commission agreed to adjust rates annually to reflect gas main replacement costs. Meanwhile, the PSI Indiana subsidiary intends to file by yearend for higher electric and gas rates that would take effect in 2004.

Capital spending for pollution control will be heavy for several years. To comply with the U.S. Environmental Protection Agency's requirements, CIN will spend $700 million through 2006 to repower nine coal-fired burners with natural gas and another $800 million to upgrade nitrogen oxide technology. Most of the work will be done in Indiana, where the company will recover construction work-in-progress costs every six months. CG&E will file for recovery in Ohio after the state's rate freeze ends in 2005.

Earnings may only mark time this year. The first quarter was hurt by warm winter weather. And the June interim will be charged with costs related to the voluntary retirement program. Too, earnings will be diluted by an early 2002 offering of 6.5 million common shares. Thus, despite higher gas rates and continued strong marketing and trading operations, we estimate flat earnings of $2.75 a share this year and a modest increase in 2003.

The yield is a cut above that of the group, but dividend hikes may be slow in coming because of cash required to fund the construction program. All told, we rate the stock an average utility selection.

Arthur H. Medalie *July 5, 2002*

(A) EPS diluted. Excl. extraord. gain (losses): '93, ($2.56); '96, (12¢); '97, (69¢); '98, (32¢); '99, 33¢. Next egs. rpt. due late July. (B) Next div'd mtg. late July. Goes ex late July. Div'd pmnt dates: about 15th of Feb., May, Aug., Nov. ■ Div'd reinvest. plan avail. (C) Incl. def. chgs. In '01, $6.36/sh. (D) Rate base: net original cost. Allowed on com. eq.: Ohio in '93: 11.37%-12.68%; Indiana in '96: 11.0%. Earned avg. com. eq. '01: 15.4%. Regul. Clim.: Above Avg. (E) Pro Forma. (F) In mill., adjust. for split.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	80

CLECO CORPORATION NYSE-CNL

RECENT PRICE 21.43 | P/E RATIO 13.0 (Trailing: 13.8; Median: 13.0) | RELATIVE P/E RATIO 0.73 | DIV'D YLD 4.2% | VALUE LINE 703

TIMELINESS 3 Raised 5/10/02
SAFETY 2 Lowered 10/6/00
TECHNICAL 3 Raised 5/24/02
BETA .60 (1.00 = Market)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	12.3	13.1	13.6	12.8	14.1	14.6	16.6	18.1	17.8	28.3	27.3	24.9
Low:	8.6	11.4	11.5	10.4	11.0	12.6	12.4	14.3	14.1	15.1	19.2	20.4

2005-07 PROJECTIONS

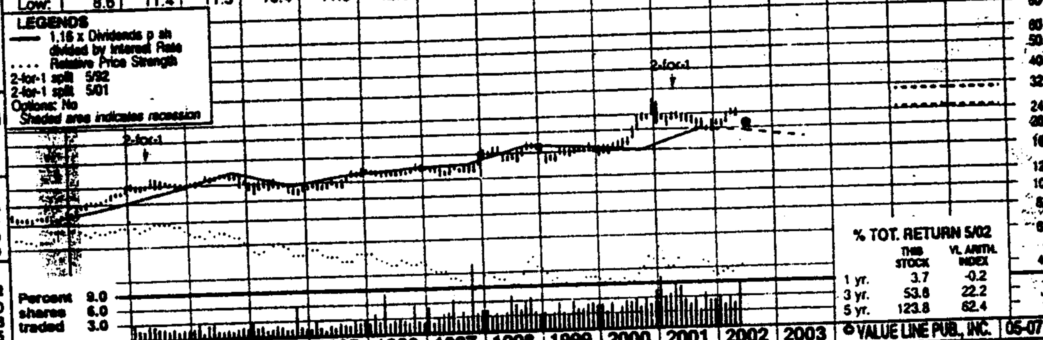
	Price	Gain	Ann'l Total Return
High	30	(+40%)	13%
Low	25	(+15%)	8%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	1	0	0	0	0	0	2	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	52	60	70
to Sell	68	54	48
Hld's(000)	24961	24381	23565



% TOT. RETURN 5/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	3.7	-0.2
3 yr.	53.8	22.2
5 yr.	123.8	82.4

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
6.65	6.79	6.71	7.04	7.42	7.58	7.88	8.54	8.48	8.79	9.70	10.16	11.46	17.12	18.23	23.55	24.45	30.30	Revenues per sh	32.00
1.39	1.56	1.61	1.62	1.66	1.76	1.78	1.74	1.85	1.99	2.11	2.18	2.28	2.36	2.77	2.94	3.10	3.50	"Cash Flow" per sh	3.75
.81	.88	.90	.89	.93	.96	.97	.89	.96	1.04	1.12	1.09	1.12	1.19	1.46	1.51	1.65	1.85	Earnings per sh A	2.00
.52	.54	.57	.60	.63	.66	.69	.71	.73	.75	.77	.79	.81	.83	.85	.87	.90	.92	Div'd Decl'd per sh B ■	.98
1.59	1.10	1.08	1.11	1.08	1.23	1.44	1.15	1.24	1.29	1.43	1.73	2.09	3.99	2.52	1.10	1.55	1.70	Cap'l Spending per sh	1.75
5.98	6.23	6.56	6.87	7.16	6.78	7.06	7.29	7.58	7.91	8.30	8.68	9.07	9.44	10.04	10.69	11.95	12.90	Book Value per sh C	16.00
44.65	44.84	44.90	44.98	45.00	44.48	44.61	44.77	44.78	44.85	44.91	44.93	44.97	44.88	44.99	44.96	47.00	47.00	Common Shs Outst'g D	47.00
10.4	9.2	9.1	9.3	9.1	10.7	12.5	14.3	12.1	11.6	11.9	12.5	14.4	13.4	13.2	14.6	Bold figures are	Value Line	Avg Ann'l P/E Ratio	13.5
.71	.62	.76	.70	.68	.68	.76	.84	.79	.78	.75	.72	.75	.76	.86	.76	estimates		Relative P/E Ratio	.90
6.2%	6.6%	7.0%	7.3%	7.5%	8.4%	5.7%	5.5%	6.2%	6.2%	5.8%	5.8%	5.0%	5.2%	4.4%	3.9%			Avg Ann'l Div'd Yield	3.6%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $837.2 mill. Due in 5 Yrs $499.4 mill.
LT Debt $626.8 mill. LT Interest $50.4 mill.
Excludes $252.0 mill. off-balance-sheet debt.
(LT interest earned: 3.0x)
Pension Liability None
Pfd Stock $26.8 mill. Pfd Div'd $1.8 mill.
Includes 268,150 shares 8.125%, each convertible into 4.8 common shares, callable at $100.8125.
Excludes deferred ESOP benefit of $9.9 mill.

Common Stock 45,030,283 shs.
as of 4/30/02
MARKET CAP: $966 million (Small Cap)

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
351.6	382.4	379.6	394.4	435.4	458.2	515.2	768.2	820.0	1058.6	1150	1425	Revenues ($mill)	1500
45.2	41.8	45.0	48.7	52.1	52.5	53.8	56.8	69.3	72.3	80.0	90.0	Net Profit ($mill)	100
29.1%	31.9%	30.6%	34.1%	33.4%	34.6%	33.1%	32.4%	33.5%	34.7%	34.5%	34.5%	Income Tax Rate	34.5%
4.3%	7.3%	5.1%	6.0%	3.3%	1.5%	3.2%	10.6%	12.1%	16.7%	10.0%	5.0%	AFUDC % to Net Profit	5.0%
46.8%	49.1%	47.2%	47.9%	45.4%	46.2%	43.6%	56.2%	57.9%	55.2%	63.5%	61.0%	Long-Term Debt Ratio	53.5%
47.4%	45.6%	47.5%	47.1%	49.7%	49.2%	51.9%	41.0%	39.7%	42.4%	35.0%	37.5%	Common Equity Ratio	45.0%
664.0	715.8	712.9	752.5	750.2	792.1	786.2	1032.1	1139.2	1134.7	1610	1625	Total Capital ($mill)	1675
879.0	895.0	912.1	929.5	952.9	1025.6	1089.8	1211.6	1232.8	1224.7	1230	1235	Net Plant ($mill)	1225
8.8%	7.4%	7.9%	8.1%	8.6%	8.1%	8.3%	6.9%	8.3%	8.7%	7.0%	8.0%	Return on Total Cap'l	8.0%
12.8%	11.5%	12.0%	12.4%	12.7%	12.3%	12.1%	12.5%	14.4%	14.2%	13.5%	14.5%	Return on Shr. Equity	13.0%
13.7%	12.2%	12.7%	13.2%	13.4%	12.9%	12.7%	12.9%	14.9%	14.6%	14.0%	15.0%	Return on Com Equity E	13.0%
4.0%	2.5%	3.1%	3.7%	4.2%	3.9%	3.8%	4.2%	6.5%	6.5%	6.5%	7.5%	Retained to Com Eq	6.5%
72%	80%	77%	73%	70%	71%	71%	69%	57%	57%	57%	52%	All Div'ds to Net Prof	51%

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+2.9	+5.0	-4.3
Avg. Indust. Use (MWH)	1176	1189	1305
Avg. Indust. Revs. per KWH (¢)	4.21	5.02	5.53
Capacity at Peak (Mw)	1879	2767	2982
Peak Load, Summer (Mw)	1767	1839	1751
Annual Load Factor (%)	54.3	55.4	57.2
% Change Customers (yr-end)	+1.7	+1.1	+3.4
Fixed Charge Cov. (%)	288	240	236

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	10.5%	17.0%	8.5%
"Cash Flow"	5.0%	6.5%	9.0%
Earnings	4.0%	6.0%	6.5%
Dividends	3.0%	2.5%	2.5%
Book Value	4.0%	5.0%	7.5%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	121.7	222.5	285.0	139.0	768.2
2000	137.1	186.6	269.1	227.2	820.0
2001	253.1	303.7	307.0	194.8	1058.6
2002	220.3	275	375	279.7	1150
2003	325	375	400	325	1425

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.18	.30	.54	.17	1.19
2000	.23	.39	.66	.18	1.46
2001	.25	.29	.65	.32	1.51
2002	.29	.30	.75	.31	1.65
2003	.35	.40	.75	.35	1.85

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.198	.203	.203	.203	.81
1999	.203	.208	.208	.208	.83
2000	.208	.213	.213	.213	.85
2001	.213	.218	.22	.22	.87
2002	.22	.225			

BUSINESS: Cleco Corporation is a holding company for Cleco Power, which supplies electricity to about 250,000 customers in a 14,000-sq.-mi. region in central Louisiana. Through subsidiaries, develops electric & gas assets, markets energy, provides energy services. Electric revenue breakdown, '01: residential, 49%; commercial, 23%; industrial, 18%; other, 10%. Largest industrial customers are paper mills and other wood-product industries. Generating sources, '01: coal & lignite, 33%; gas, 27%; purchased, 40%. Fuel costs: 63% of revenues. '01 reported deprec. rate: 3.3%. Has 1,400 employees, 9,000 common stockholders. President & CEO: David M. Eppler. Inc.: Louisiana. Address: P.O. Box 5000, Pineville, LA 71361-5000. Tel.: 318-484-7400. Internet: www.cleco.com.

Cleco's nonregulated generating assets should produce higher earnings for the company in 2002 and 2003, despite concerns about the creditworthiness of its counterparties. The company has three such projects, totaling over 2,000 megawatts: Evangeline, completed in 2000; Acadia, completed this quarter; and Perryville, also completed this quarter. Cleco has a conservative strategy towards this business. It has signed long-term "tolling" agreements with companies that are willing to assume the risks associated with supplying fuel and marketing the plants' output. These companies pay Cleco a fee for operating the facilities. But since Cleco's counterparties have had credit-rating downgrades of late, that has raised concerns about whether they will be able to pay Cleco its fees. One of them has provided additional credit support, and two others remain investment grade. The addition of Acadia and Perryville should provide all of Cleco's earnings growth in 2002 and almost all of it in 2003.

Cleco paid $54.4 million in cash for Mirant's 50% stake in Perryville. The company financed most of the purchase in May through the sale of two million common shares at $23 each. The deal won't affect earnings much in 2002 but should add two to four cents to share net in 2003. Note that $252 million of formerly off-balance-sheet debt was added to the balance sheet upon the deal's closing.

Cleco Power is solid but offers little growth potential. A regulatory pact that runs through year-end 2004 allows the utility a return on equity of 12.625%, and it usually earns near that level. But Cleco Power is growing by just 2% annually.

The question is, where will growth come from beyond 2003? Cleco has set a goal of owning 4,000 regulated and nonregulated megawatts by 2005, and the Perryville deal put it less than 600 mw short of its target. Cleco could buy assets, expand at existing sites, or develop plants in other states. But there is no guarantee that attractive opportunities will emerge, so until such plans have been identified, we will be cautious with our 3- to 5-year projections. The stock's yield and total-return potential to 2005-2007 are below average by utility standards.

Paul E. Debbas, CFA *July 5, 2002*

(A) Primary EPS through '96, diluted thereafter. Excl. nonrecurring gains: '88, 7¢; '00, 5¢; losses from discontinued operations: '00, 14¢; '01, 4¢. Next earnings report due late July. (B) Next div'd meeting in late July. Goes ex in early Aug. Div'd payment dates: 15th of Feb., May, Aug., Nov. ■ Div'd reinvest. plan avail. (C) Incl. deferred charges. In '01: $101.1 mill., $2.25/sh. (D) In mill., adj. for splits. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '98: 12.625%; earned on avg. com. eq., '01: 14.6%. Regulatory Climate: Below Average.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	30
Earnings Predictability	90

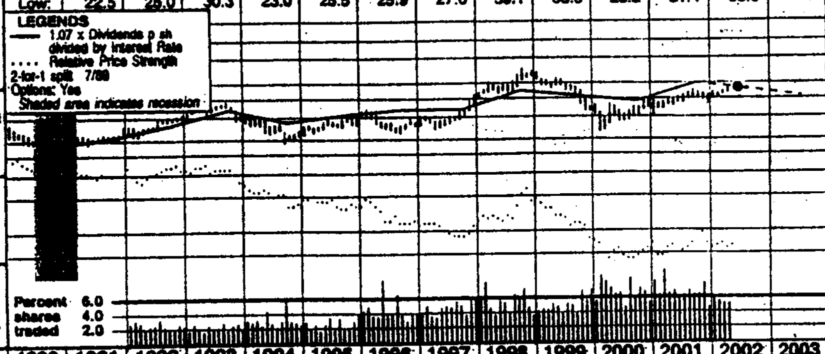
CON. EDISON NYSE-ED

RECENT PRICE 44.75 | P/E RATIO 14.0 (Trailing: 14.2; Median: 12.0) | RELATIVE P/E RATIO 0.74 | DIV'D YLD 5.0% | VALUE LINE 159

TIMELINESS 4 Lowered 3/8/02
SAFETY 1 New 7/27/90
TECHNICAL 3 Raised 6/7/02
BETA .45 (1.00 = Market)

High:	28.8	32.9	37.8	32.4	32.3	34.8	41.5	56.1	53.4	39.5	43.4	45.4	
Low:	22.5	28.0	30.3	23.0	25.5	25.9	27.0	39.1	33.6	28.2	31.4	39.3	

Target Price Range 2005 | 2006 | 2007



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+35%)	11%
Low	50	(+10%)	7%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	2	1	2	0	1	1	1	2	1
to Sell	2	1	2	0	1	2	2	2	1

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	113	140	148
to Sell	113	105	118
Hld's(000)	80356	80002	80460

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	23.1	6.3
3 yr.	11.4	28.2
5 yr.	103.1	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
21.93	22.36	22.41	24.33	25.15	25.72	25.36	26.73	27.13	27.82	29.62	30.24	30.46	35.04	44.48	45.41	40.50	40.95	Revenues per sh	41.90
3.33	3.53	3.82	3.92	3.84	3.90	4.06	4.36	4.77	4.87	4.97	5.08	5.29	5.74	5.51	5.70	5.80	6.05	"Cash Flow" per sh	6.60
2.13	2.21	2.47	2.49	2.34	2.32	2.46	2.66	2.98	2.93	2.93	2.95	3.04	3.13	2.74	3.21	3.20	3.30	Earnings per sh A	3.50
1.34	1.48	1.60	1.72	1.82	1.86	1.90	1.94	2.00	2.04	2.08	2.10	2.12	2.14	2.18	2.20	2.22	2.24	Div'd Decl'd per sh B ■	2.30
2.11	2.26	2.52	2.68	3.05	3.39	3.40	3.37	3.22	2.95	2.87	2.78	2.66	3.17	4.52	5.20	6.10	4.20	Cap'l Spending per sh	4.10
17.03	17.59	18.44	19.21	19.73	20.18	20.89	21.63	22.82	23.51	24.37	25.18	25.88	25.31	25.81	26.71	27.80	28.95	Book Value per sh C	32.70
237.04	227.88	227.99	228.15	228.23	228.33	233.93	234.37	234.91	234.96	234.99	235.49	232.83	213.81	212.03	212.15	213.60	215.10	Common Shs Outst'g E	219.60
10.5	10.0	9.0	10.0	10.3	10.8	11.9	13.1	9.3	9.8	10.1	10.9	15.3	14.0	12.0	12.0	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.5
.71	.67	.75	.76	.77	.69	.72	.77	.61	.66	.63	.63	.80	.80	.78	.61			Relative P/E Ratio	1.05
6.0%	6.7%	7.2%	6.9%	7.5%	7.5%	6.5%	5.6%	7.2%	7.1%	7.0%	6.5%	4.6%	4.9%	6.6%	5.7%			Avg Ann'l Div'd Yield	4.2%
						5932.9	6265.4	6373.1	6536.9	6959.7	7121.3	7093.1	7491.3	9431.4	9634.0	8650	8810	Revenues ($mill)	9200
						604.1	658.5	734.3	723.9	694.1	712.8	729.8	714.2	596.4	695.8	695	720	Net Profit ($mill)	780
						34.5%	35.7%	37.4%	35.4%	36.4%	34.8%	35.8%	34.3%	34.8%	40.0%	40.0%	40.0%	Income Tax Rate	40.0%
						2.3%	1.6%	1.6%	.8%	.7%	.9%	.5%	.8%	1.2%	1.3%	1.0%	1.0%	AFUDC % to Net Profit	1.0%
						39.1%	39.3%	40.7%	39.1%	41.2%	40.1%	39.2%	44.4%	48.6%	48.2%	47.5%	46.5%	Long-Term Debt Ratio	43.0%
						53.9%	53.9%	53.0%	54.5%	55.7%	56.8%	58.4%	53.1%	49.1%	49.6%	50.5%	51.5%	Common Equity Ratio	55.0%
						9074.6	9403.5	10032	10125	10289	10437	10325	10186	11137	11417	11790	12080	Total Capital ($mill)	13035
						9729.7	10156	10561	10814	11067	11267	11407	11354	11893	12248	12995	13305	Net Plant ($mill)	14055
						8.2%	8.5%	8.8%	8.6%	8.2%	8.4%	8.6%	8.6%	7.0%	7.8%	7.5%	7.5%	Return on Total Cap'l	7.5%
						10.9%	11.5%	12.3%	11.7%	11.5%	11.4%	11.6%	12.6%	10.4%	11.8%	11.0%	11.0%	Return on Shr. Equity	10.5%
						11.6%	12.3%	13.2%	12.5%	11.7%	11.7%	11.8%	12.9%	10.7%	12.0%	11.5%	11.5%	Return on Com Equity D	10.5%
						2.6%	3.3%	4.3%	3.8%	3.2%	3.4%	3.6%	4.1%	2.2%	3.8%	3.5%	3.5%	Retained to Com Eq	3.5%
						79%	74%	69%	71%	74%	72%	70%	69%	80%	69%	70%	68%	All Div'ds to Net Prof	68%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $6187 mill. Due in 5 Yrs $1470 mill.
LT Debt $5502 mill. LT Interest $392.0 mill.
(LT interest earned: 3.8x)
Pension Liability None

Pfd Stock $249.6 mill. Pfd Div'd $13.6 mill.
1,915,319 shs. $5 cum. no par, call. $105 a sh.; 375,626 shs. 4.65% cum. $100 par, call. $101 to $102.50 a sh. Sinking Fund ends 2008; 370,500. shs. 6.125% cum. $100 par.

Common Stock 212,646,776 shs. as of 4/30/02
MARKET CAP: $9.5 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+3.9	+3.7	+2.9
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	11139	1500	629
Peak Load, Summer (Mw)	11850	11231	12207
Annual Load Factor (%)	53.0	53.8	NMF
% Change Customers (yr-end)	+.8	+.8	+.7
Fixed Charge Cov. (%)	380	303	342

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	5.0%	8.0%	.5%
"Cash Flow"	4.0%	3.0%	3.0%
Earnings	2.5%	.5%	2.5%
Dividends	2.0%	1.5%	1.0%
Book Value	3.0%	2.0%	3.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	1777	1479	2346	1889	7491.3
2000	2318	2042	2821	2250	9431.4
2001	2886	2112	2693	1943	9634.0
2002	2099	2000	2600	1951	8650
2003	2140	2040	2640	1990	8810

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.76	.30	1.50	.57	3.13
2000	.88	.33	1.32	.21	2.74
2001	.84	.48	1.30	.59	3.21
2002	.78	.45	1.37	.60	3.20
2003	.80	.48	1.40	.62	3.30

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.53	.53	.53	.53	2.12
1999	.535	.535	.535	.535	2.14
2000	.545	.545	.545	.545	2.18
2001	.55	.55	.55	.55	2.20
2002	.555				

BUSINESS: Consolidated Edison, Inc., parent of Consolidated Edison Company of New York, Inc., sells elect. (72% of revs.), gas (15%), steam (5%), nonutility (8%) in most of New York City and Westchester County. Acquired Orange & Rockland Utilities 7/99. Commercial rev. ratio (55%) compares with 32% for the industry. Nonincome taxes and avg. price per kwh are among the highest in U.S. Fuel costs: 55% of revs.; labor costs, 14%. 2001 reported deprec. rate: 3.1%. Est'd plant age: 10 years. In '01, purch. almost all energy it sold on firm contracts with nonutility generators. Has 13,953 empls, 103,380 common shareholders. Chmn., CEO, & Pres.: Eugene R. McGrath. Inc.: N.Y. Add.: 4 Irving Place, New York, N.Y. 10003. Tel.: 212-460-3903. Internet: www.coned.com.

Consolidated Edison's acquisition of Northeast Utilities is now a legal issue. The 1999 contract calling for ED to buy all of NU's common stock for $25 per share, subject to certain collar provisions, is basically dead. ED has asked a federal court to void the agreement, on the grounds that NU's power marketing subsidiary was mismanaged and was at risk of not having enough power to serve NU's Connecticut Light & Power subsidiary at profitable prices. ED also filed for an unspecified amount of damages for NU's misrepresentation of facts and requested the court to absolve it from any damages NU might seek. NU countersued in the same court for $1 billion, claiming that its shareholders would have received an acquisition premium of that amount if the pact had been consummated. The deal provides for a penalty of $100 million against the party that breaches the agreement.

The company plans to add up to 2000 megawatts (mw) of generation by 2004. It has completed a 236-mw natural gas plant in Lakewood, New Jersey, and will build a 327-mw peaking unit at the same site next year. It expects to finish a 525-mw facility in New Hampshire, one of 290 mw in Massachusetts, and a 327-mw unit in Maryland later this year. More plants will be built as opportunities present themselves. These units will not be subject to commission regulation, since their output will be sold only on the wholesale market.

A weak local economy points to flat earnings this year. Profits from two merchant plants in the second half and a likely improvement in other noncore operations are pluses. Too, costs related to the defunct merger with NU will be absent this year. But results will be hurt by a full year of the April, 2001 electric rate reduction of $209 million and higher interest expense. On balance, we estimate 2002 earnings of $3.20 a share, and a small gain next year. The stock is untimely.

The yield is almost a full percentage point above the industry norm. What's more, dividend growth prospects to 2005-2007 are near those of the group. That might be sufficient reason to attract conservative utility investors because of the company's gilt-edged finances.

Arthur H. Medalie *June 7, 2002*

(A) EPS diluted. Next report due late July.
(B) Next dividend meeting mid-July. Goes ex mid-Aug. Dividend payment dates: Mar. 15, June 15, Sept. 15, Dec. 15. ■ Div'd reinvest. plan avail. (C) Includes intangibles. In '01: $7.73/sh. (D) Rate base: net original cost. Rate all'd elec. common equity: '97, 12.9%; earned on '01 average common equity: 12.2%. Regulatory Climate: Average. (E) In millions, adjusted for stock split.

Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	25
Earnings Predictability	90

CONSTELL'N EGY GP. NYSE-CEG

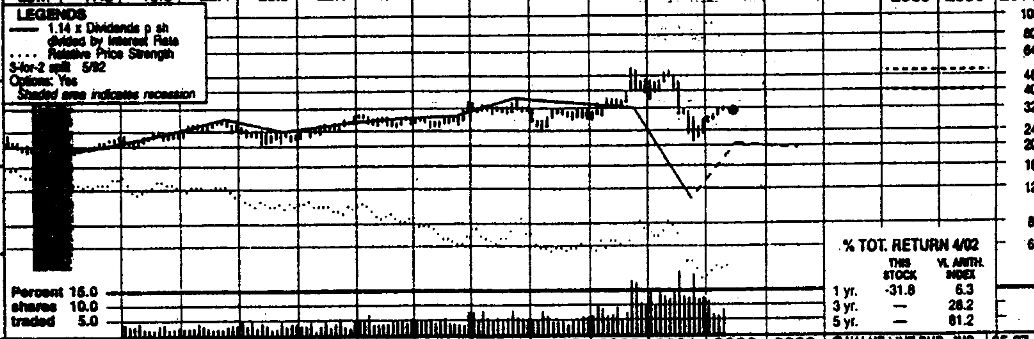
RECENT PRICE 30.64 | P/E RATIO 11.8 (Trailing: 15.7 Median: 14.0) | RELATIVE P/E RATIO 0.62 | DIV'D YLD 3.2% | VALUE LINE 160

TIMELINESS 3 Raised 6/7/02
SAFETY 2 Lowered 3/20/92
TECHNICAL 1 Raised 5/31/02
BETA .80 (1.00 = Market)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	22.8	24.4	27.5	25.5	29.0	29.5	34.3	36.3	31.5	52.1	50.1	32.4
Low:	17.2	19.8	22.4	20.5	22.0	25.0	24.8	29.3	24.7	27.1	20.9	26.2

Target Price Range 2005 | 2006 | 2007

LEGENDS
— 1.14 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 5/92
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+65%)	15%
Low	40	(+30%)	10%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	2	0	0	0	2	0	0	2	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	137	120	138
to Sell	197	152	120
Hld's(000)	90904	97854	100960

Percent shares traded 15.0 10.0 5.0

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	-31.8	6.3
3 yr.	—	28.2
5 yr.	—	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
15.55	15.28	15.67	16.63	17.81	19.41	17.33	18.27	18.86	19.89	21.35	22.40	22.50	25.32	25.77	24.00	26.05	28.30	Revenues per sh	37.00
3.75	3.84	3.98	3.45	2.91	3.08	3.10	3.45	3.93	4.59	4.45	4.66	4.93	5.57	5.78	5.02	5.65	6.20	"Cash Flow" per sh	7.65
2.10	2.31	2.31	2.03	1.40	1.52	1.63	1.85	1.93	2.02	1.85	1.97	2.06	2.18	2.30	2.20	2.60	2.90	Earnings per sh A	3.80
1.19	1.25	1.32	1.39	1.40	1.40	1.43	1.47	1.51	1.55	1.59	1.63	1.67	1.68	1.68	.48	.96	1.02	Div'd Decl'd per sh B■	1.36
2.92	2.74	3.06	4.05	4.42	3.60	2.71	3.27	3.27	2.48	2.44	2.53	2.27	2.92	7.17	8.05	5.00	3.30	Cap'l Spending per sh	3.70
13.82	14.83	15.85	16.60	17.10	17.00	17.63	17.94	18.42	19.07	19.35	19.44	19.98	20.01	20.95	23.48	25.10	27.05	Book Value per sh C	34.00
117.98	118.37	118.95	120.52	121.21	126.69	143.78	146.03	147.53	147.53	147.67	147.67	149.25	149.56	150.53	163.71	165.00	166.00	Common Shs Outst'g E	169.00
10.0	9.1	9.1	10.4	13.7	13.2	13.6	13.8	11.8	12.4	14.7	14.0	15.3	13.2	15.8	16.4	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	11.5
.68	.61	.76	.79	1.02	.84	.82	.82	.77	.83	.92	.81	.80	.75	1.03	.84			Relative P/E Ratio	.75
5.7%	6.0%	6.3%	6.6%	7.3%	7.0%	6.5%	5.8%	6.6%	6.2%	5.9%	5.9%	5.3%	5.8%	4.6%	1.3%			Avg Ann'l Div'd Yield	3.1%
						2491.3	2668.7	2783.0	2934.8	3153.2	3307.6	3358.1	3786.2	3878.5	3928.3	4300	4700	Revenues ($mill)	6250
						264.3	309.9	323.6	338.0	310.8	320.3	327.7	339.9	358.5	366.3	440	495	Net Profit ($mill)	655
						28.1%	30.8%	32.2%	33.4%	34.9%	35.8%	35.2%	35.4%	39.1%	34.6%	35.0%	36.0%	Income Tax Rate	37.5%
						8.3%	7.3%	10.4%	6.5%	8.3%	5.2%	4.1%	2.9%	--	15.7%	13.5%	12.0%	AFUDC % to Net Profit	9.0%
						43.4%	47.1%	44.6%	43.9%	46.3%	48.5%	49.7%	44.7%	48.6%	40.2%	51.0%	50.5%	Long-Term Debt Ratio	48.5%
						46.3%	43.7%	46.9%	47.5%	47.9%	46.6%	47.3%	52.0%	48.5%	57.0%	46.5%	47.5%	Common Equity Ratio	50.0%
						5476.3	5995.3	5791.5	5922.1	5960.4	6159.3	6299.6	5758.4	6502.3	6746.1	8865	9500	Total Capital ($mill)	11500
						4966.3	5196.9	5416.8	5497.6	5582.4	5851.5	5856.7	5523.1	6644.0	7700.4	8235	8590	Net Plant ($mill)	9755
						6.6%	6.9%	7.2%	7.3%	6.7%	8.8%	8.9%	7.5%	7.1%	6.5%	6.5%	7.0%	Return on Total Cap'l	7.5%
						8.5%	9.8%	10.1%	10.2%	9.7%	10.1%	10.3%	10.7%	10.7%	9.1%	10.0%	10.5%	Return on Shr. Equity	11.0%
						8.8%	10.2%	10.4%	10.6%	9.6%	10.1%	10.3%	10.9%	11.0%	9.2%	10.5%	10.5%	Return on Com Equity D	11.0%
						1.3%	2.1%	2.3%	2.5%	1.4%	1.8%	2.0%	2.5%	3.0%	6.0%	6.5%	7.0%	Retained to Com Eq	7.0%
						88%	82%	80%	79%	87%	84%	81%	78%	74%	37%	39%	37%	All Div'ds to Net Prof	37%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $5304 mill. Due in 5 Yrs $2900 mill.
LT Debt $4398 mill. LT Interest $305.0 mill.
(LT interest earned: 2.7x)
Pension Liability None
Pfd Stock $190.0 mill. Pfd Div'd $13.2 mill.
Incl. 400,000 shs. 7.125% preference, callable 7/1/03; 500,000 shs. 6.97% pref., call. 10/1/03; 400,000 shs. 6.70% pref., call. 1/1/04; 600,000 shs. 6.99% pref., call. 10/1/05; all $100 par, not subj. to mand. redemption.
Common Stock 164,031,496 shs. as of 4/30/02.
MARKET CAP: $5.0 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+1.7	+3.2	+.4
Avg. Indust. Use (MWH)	926	895	889
Avg. Indust. Revs. per KWH (¢)	4.70	4.55	4.91
Capacity at Peak (Mw)	6522	6550	9166
Peak Load, Summer (Mw)	6383	N/A	6490
Annual Load Factor (%)	55.7	60.5	N/A
% Change Customers (yr-end)	+1.2	+1.2	+.8
Fixed Charge Cov. (%)	283	295	288

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	3.5%	4.5%	6.5%
"Cash Flow"	5.5%	5.0%	6.0%
Earnings	3.0%	3.0%	9.5%
Dividends	-1.0%	-4.0%	1.0%
Book Value	2.5%	2.5%	8.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	932.3	820.0	970.4	1063.5	3786.2
2000	992.2	868.4	981.6	1036.3	3878.5
2001	1165.1	826.0	1036.1	901.1	3928.3
2002	1045.9	800	1255	1199.1	4300
2003	1250	875	1350	1225	4700

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.55	.45	.91	.27	2.18
2000	.48	.26	.98	.58	2.30
2001	.69	.46	1.00	.09	2.20
2002	.40	.53	1.20	.47	2.60
2003	.62	.55	1.20	.53	2.90

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.41	.41	.42	.42	1.66
1999	.42	.42	.42	.42	1.68
2000	.42	.42	.42	.42	1.68
2001	.42	.12	.12	.12	.78
2002	.12	.24			

BUSINESS: Constellation Energy Group, a holding company, sells electricity (52% of revenues) and gas (17%) service, through Baltimore Gas and Electric, in central Maryland to a population of 2.5 million. The remaining 31% of revenues are derived from the non-regulated business. Constellation Enterprises. 2001 electric revenue sources: resid'l, 43.4%; com'l, 44.3%; ind'l, 10.7%; other, 1.6%. '01 gas rev. sources: resid'l, 58.0%; com'l, 20.1%; ind'l, 3.9%; other, 18.0%. Prime fuels: coal, 52.5%; nuclear, 40.9%; other, 6.6%. Has about 9,200 employees, 53,435 stockholders. '01 deprec. rate: 3.5%. Chairman: C. Poindexter; Pres. & CEO: M. Shattuck III. Inc.: MD. Addr.: P.O. Box 1475, Baltimore, MD 21203. Tel.: 410-783-5920. Internet: www.constellationenergy.com.

Like most other utilities in the East, Constellation Energy reported lower year-over-year, first-quarter share net. Several factors pressured earnings in the recent period. They included above-normal winter temperatures, which restrained regulated electricity and gas service demand, reduced power prices in the competitive California wholesale market, higher costs due to a planned outage at the Calvert Cliffs nuclear plant, greater fuel (coal) costs, the seasonal effect of a purchased power agreement at the recently added Nine Mile Point facility, and an increased share count. Excluding one-time items, CEG's share net fell to $0.40, below the March 2001 figure of $0.69. Given the initiation of an aggressive cost-cutting program, it's likely that management can regain some lost ground at the bottom line by yearend. We are conservatively estimating 2002 share earnings of $2.60, up from $2.20 in 2001. Next year, net profits should rise to the $2.90-a-share level.

Management is making good progress in refocusing the company's long-term strategy with an eye to achieving strong earnings growth. A voluntary early retirement program, supporting a move to cut the workforce by 10%, was well accepted. Separately, CEG sold its stake in Orion Power holdings for a net $163.3 million. Additional sales of noncore assets (i.e., real estate investments) are in the offing. Total divestitures may well reach $750 million. Too, management took advantage of an attractive rate environment to further strengthen the balance sheet, issuing $1.8 billion in new senior debt, much of which went to pay down high-rate short-term borrowings. The debt-to-total capital ratio declined in the March quarter from 55% to a more manageable 51%. Meanwhile, a paced generation base expansion continues on track. About 2,900 megawatts will be added over the next 15 months, lifting total marketable capacity to about 12,100 megawatts.

Constellation Energy will likely advance its share net 10% a year going forward. In our view, income-oriented investors should consider this good-quality stock, which offers 3- to 5-year total returns better than the electric utility industry average.

David M. Reimer *June 7, 2002*

(A) Basic egs. Excl. extra. items: '99, d44¢; '01, d$1.68. Incl. real estate, fin'l invest., and venture chgs: '98, 7¢; '99, 27¢. '01 eps does not add due to change in share count. Nxt egs. rpt due late July. (B) Nxt div'd mtg mid-July; ex date early Sep. Div'd pmt. dates early Jan., Apr., July, Oct. ■ Div'd reinvest. plan. (C) Incl. def'd chgs. '01: $3.62/sh. (D) Rate base determ.: fair val. Rate all'd on com. eq.: 11.75%-elec. ('93); 11.05%-gas ('99). Earned on '01 avg. com. eq.: 10.3%. Reg. Clim.: Avg. (E) In mill., adj'd for split. Excl. ESOP shares.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	25
Earnings Predictability	65

DPL INC. NYSE-DPL

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
25.39	14.5	(Trailing: 15.5) (Median: 14.0)	0.81	3.7%	704

TIMELINESS 4 Lowered 2/1/02
SAFETY 2 Lowered 1/5/01
TECHNICAL 3 Lowered 6/14/02
BETA .85 (1.00 = Market)

																Target Price Range 2005 / 2006 / 2007
High:	11.6	13.3	14.6	14.4	17.1	17.4	19.2	21.8	22.0	33.8	33.3	27.3				
Low:	8.3	10.3	12.3	12.3	13.4	14.4	15.3	16.6	16.3	16.4	22.0	22.3				

2005-07 PROJECTIONS

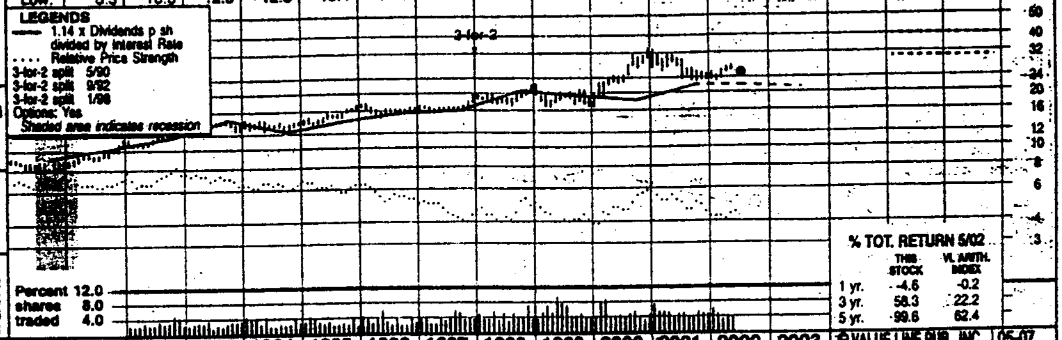
	Price	Gain	Ann'l Total Return
High	40	(+60%)	15%
Low	30	(+20%)	8%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	1

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	73	86	75
to Sell	67	73	76
Hld's(000)	40925	44227	45178



% TOT. RETURN 5/02	THIS STOCK	VL ARITH. INDEX
1 yr.	-4.6	-0.2
3 yr.	58.3	22.2
5 yr.	99.6	62.4

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
6.87	6.72	7.04	6.23	6.09	6.41	6.55	7.42	7.40	7.84	7.90	8.46	8.55	8.48	11.25	10.07	10.00	10.80	Revenues per sh	14.10
1.35	1.68	1.33	1.29	1.41	1.39	1.57	1.61	1.68	1.77	1.87	1.92	1.96	2.15	2.62	2.88	2.95	3.10	"Cash Flow" per sh	3.70
.90	1.07	.89	.97	.99	.77	.89	.95	1.03	1.09	1.15	1.20	1.24	1.35	1.49	1.74	1.75	1.85	Earnings per sh A	2.35
.59	.61	.64	.66	.69	.72	.72	.75	.79	.83	.87	.91	.94	.94	.94	.94	.94	.94	Div'd Decl'd per sh B ■	1.00
.63	.74	1.13	1.57	.95	.66	.38	.73	.59	.63	.68	.71	.66	1.08	2.58	2.84	1.35	.75	Cap'l Spending per sh	.80
5.65	5.81	6.06	6.56	6.88	6.92	6.44	6.62	7.03	7.28	7.55	8.03	8.58	9.20	6.80	6.89	7.15	7.55	Book Value per sh C	9.25
140.02	140.02	139.69	153.47	155.27	155.27	155.27	155.27	160.43	160.05	159.01	160.20	161.26	157.80	127.77	119.10	119.00	119.00	Common Shs Outst'g D	119.00
8.0	7.1	8.6	8.2	8.5	12.4	13.1	14.3	13.0	13.6	13.8	13.7	15.1	13.7	16.6	15.4	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	14.5
.54	.47	.71	.62	.63	.79	.79	.84	.85	.91	.86	.79	.79	.78	1.08	.79			Relative P/E Ratio	.95
8.2%	8.0%	8.4%	8.4%	8.2%	7.5%	6.2%	5.5%	5.9%	5.6%	5.5%	5.5%	5.0%	5.1%	3.8%	3.5%			Avg Ann'l Div'd Yield	2.9%

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
1017.3	1151.3	1187.9	1255.1	1256.1	1355.8	1379.6	1338.9	1436.9	1199.6	1190	1285	Revenues ($mill)	1680
148.2	147.7	159.6	164.7	172.9	181.4	189.1	204.2	199.0	221.5	220	230	Net Profit ($mill)	3295
31.5%	34.7%	38.8%	38.3%	37.4%	36.8%	38.9%	38.5%	35.5%	35.8%	38.0%	38.0%	Income Tax Rate	38.0%
2%	.3%	--	--	--	--	--	--	--	--	--	--	AFUDC % to Net Profit	--
45.9%	49.2%	48.7%	47.7%	45.3%	42.6%	43.1%	47.5%	72.1%	74.8%	76.0%	73.0%	Long-Term Debt Ratio	68.0%
48.2%	45.8%	50.3%	51.3%	53.6%	56.4%	56.0%	51.6%	27.2%	24.4%	24.0%	27.0%	Common Equity Ratio	32.0%
2073.5	2243.1	2244.9	2269.2	2237.7	2279.9	2472.5	2811.1	3200.9	3264.3	3580	3390	Total Capital ($mill)	3400
2028.0	2312.6	2312.2	2281.8	2268.9	2256.2	2238.7	2266.8	2267.0	2482.3	2450	2500	Net Plant ($mill)	2750
9.4%	8.7%	9.2%	9.3%	9.7%	9.7%	9.3%	8.9%	8.2%	9.5%	8.0%	9.0%	Return on Total Cap'l	10.5%
13.2%	13.0%	13.9%	13.9%	14.1%	13.9%	13.4%	13.8%	22.3%	27.0%	19.0%	18.5%	Return on Shr. Equity	21.0%
13.9%	13.5%	13.7%	14.1%	14.3%	14.0%	13.6%	14.0%	22.9%	27.8%	25.5%	26.0%	Return on Com Equity E	26.5%
2.8%	2.9%	3.2%	3.3%	3.4%	3.4%	3.3%	4.2%	8.9%	13.7%	12.5%	13.5%	Retained to Com Eq	16.0%
81%	80%	77%	76%	76%	76%	76%	70%	61%	51%	60%	60%	All Div'ds to Net Prof	50%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $2443.0 mill. Due in 5 Yrs $548.0 mill.
LT Debt $2439.2 mill. LT Interest $145.0 mill.
Includes $292.4 million, 8.5% mandatorily redeemable preferred trust securities
(Est'd LT interest earned: 2.9x)
Pfd Stock $23.0 mill. Pfd Div'd $0.9 mill.
Incl. 228,508 shs. 3.75% to 3.90%; all $100 par and cum.; callable $101 to $103 per share; and 6.8 mill. shares, all $0.01 par, mand. redeemable, with voting rights for up to 4.9% of total voting rights.
Common Stock 119,000,000 shs.
(Excl. warrants: 31.6 mill. exer. at $21 thru 2012.)
MARKET CAP: $3.0 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+.2	+1.7	-.8
Avg. Indust. Use (MWH)	2543	2516	2400
Avg. Indust. Revs. per KWH (¢)	4.97	4.88	5.02
Capacity at Peak (MW)	3371	3194	3973
Peak Load, Summer (MW)	3269	2866	3045
Annual Load Factor (%)	N/A	63.7	N/A
% Change Customers (yr-end)	+.9	+.8	+.4
Fixed Charge Cov. (%)	362	250	259

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	4.5%	5.0%	7.0%
"Cash Flow"	6.5%	7.0%	8.5%
Earnings	5.5%	7.0%	9.5%
Dividends	3.0%	2.5%	1.0%
Book Value	1.0%	0.5%	2.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	383.5	290.3	331.3	333.8	1338.9
2000	386.6	314.8	355.5	380.0	1436.9
2001	297.9	290.2	354.4	257.1	1199.6
2002	275.3	279.7	345	290	1190
2003	310	280	350	345	1285

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.47	.25	.36	.27	1.35
2000	.38	.26	.55	.30	1.49
2001	.49	.29	.69	.29	1.74F
2002	.37	.33	.70	.35	1.75
2003	.40	.35	.73	.37	1.85

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.235	.235	.235	.235	.94
1999	.235	.235	.235	.235	.94
2000	.235	.235	.235	.235	.94
2001	.235	.235	.235	.235	.94
2002	.235	.235			

BUSINESS: DPL Inc., parent of The Dayton Power & Light Company, sells electricity (100% of revenue in 2001) in Dayton and in a 6,000 square mile area in west-central Ohio. Elec. rev. breakdown in 2001: resid'l, 36%; comm'l, 22%; indus'l, 19%; wholesale, 15%; other, 8%. Power costs: 33% of rev.; labor costs, 6%. '01 reported depr. rate: 3.5%. Fuels: coal, 79%; other, 21%. Sold gas distribution business 10/00. Has about 1,800 empls (full-time). Dayton Ventures LLC (through Kohlberg Kravis Roberts LP) owns 6.6 mill. Series B voting preferred shares and warrants to own 24.7% of comm. stock (2/02 proxy). Chairman: Peter H. Forster. Pres. & CEO: Allen M. Hill. Incorp.: OH. Address: Courthouse Plaza SW, Dayton, OH 45402. Tele.: 937-224-6000. Internet: www.dplinc.com.

We are lowering our estimates of DPL's earnings for 2002 and 2003. The company had a slow start this year. First-quarter earnings of $0.37 came in nearly 25% ($0.12) below last year's tally. Although about $0.05 of the decline is attributable to unusually mild weather and, consequently, lower demand, the weak economy is taking its toll. Wholesale pricing is lower, as is income from the company's investment portfolio. Accordingly, we are reducing by approximately 5% estimates for both 2002 and 2003, to $1.75 and $1.85, respectively.

The company is receiving a boost from its peaking plants. Starting in 1998, DPL added the gas-fired units. Their output of 1,410 mw adds about a third to DPL's total. The company reported in April that nearly three-quarters of capacity not committed to the retail load had already been sold forward for the summer of 2002.

DPL is also benefiting from being a low-cost producer. Two-thirds of its generation is based on low-priced coal, and by the start of spring, it had contracted for most of its coal needs for the year.

The company will likely realize about $60 million in income from its investment portfolio. Nearly $1.1 billion is invested in public and private companies. Although returns have been hurt by the weak economy, we expect about $0.30 a share from investment income.

DPL is a potential takeover target and the share price may benefit from sales speculation. The company formed a partnership with leveraged-buyout firm Kohlberg Kravis Roberts (KKR) in 2000. In exchange for a $550 million investment, KKR received warrants for about 25% of total common shares and two seats on DPL's board of directors. Management has since indicated that the company may either acquire other businesses, or sell all or parts of its operations. Most recently, rumors circulated that DPL may be acquired by German E.ON AG.

Based on share price and earnings momentum, the issue is a below-average selection for the year ahead. The shares, however, offer a decent long-term total return, when adjusted for risk, and have some speculative appeal.

Terese S. Fabian *July 5, 2002*

(A) Basic shares through 1996, diluted thereafter. Excl. nonrec. gain (loss): '87,(44¢); '00, [illegible]; '01, (5¢). Next earnings rpt. late July. [illegible] div'd mtg. late Sept. Goes ex mid-Nov. Approx. div'd pmt. dates: March 1, June 1, Sept. 1, Dec. 1. ■Div'd reinvest. plan avail. (C) Incl. intang. At '01: $63.7 mill., 55¢/sh. (D) In mill, adj. for splits. (E) Rate base: net orig. cost. Rate allowed on comm. equity in '91: 13.0%; earned avg. comm. eq. in '00: 17.0%. Reg. Clim.: Above Avg. (F) '01 quart. earn. do not sum to ann'l due to change in share count.

Company's Financial Strength	B+
Stock's Price Stability	95
Price Growth Persistence	40
Earnings Predictability	95

DQE, INC. NYSE-DQE

RECENT PRICE	17.65	P/E RATIO	13.1 (Trailing: NMF; Median: 13.0)	RELATIVE P/E RATIO	0.69	DIV'D YLD	5.7-9.5%	VALUE LINE	161

TIMELINESS 3 Raised 3/22/02
SAFETY 4 Lowered 6/7/02
TECHNICAL 3 Raised 5/10/02
BETA .50 (1.00 = Market)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	20.7	21.6	24.7	23.0	30.8	31.5	35.2	44.1	44.3	53.0	33.7	22.3
Low:	15.8	17.9	20.9	18.4	19.6	25.8	26.5	31.6	33.6	30.8	16.5	17.2

Target Price Range 2005 | 2006 | 2007

2005-07 PROJECTIONS

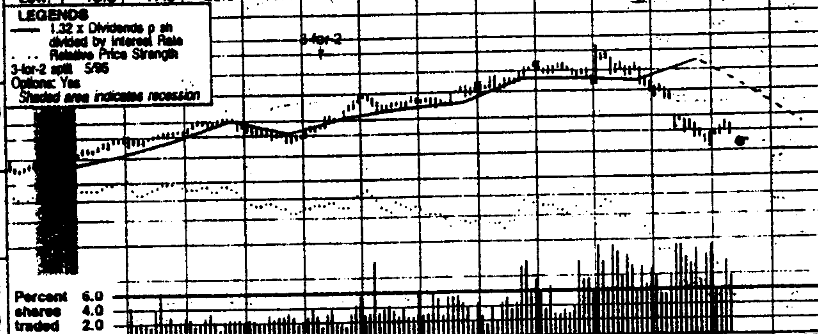
	Price	Gain	Ann'l Total Return
High	25	(+40%)	14%
Low	15	(-15%)	4%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	2	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	50	58	67
to Sell	60	52	48
Hld's(000)	14520	15105	14267



% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	-30.3	6.3
3 yr.	-46.2	28.2
5 yr.	-12.8	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
8.17	8.10	12.26	13.50	14.07	15.11	14.91	15.04	15.75	15.73	15.86	15.69	16.41	18.69	23.78	23.18	*17.15*	*17.15*	Revenues per sh A	*18.20*
1.89	2.46	3.14	3.17	3.64	3.90	4.01	3.87	4.05	4.68	5.05	5.36	5.13	5.52	7.61	6.94	*4.55*	*3.05*	"Cash Flow" per sh	*3.45*
1.19	1.43	1.24	1.35	1.49	1.67	1.78	1.81	1.99	2.20	2.32	2.40	2.52	2.65	1.31	.31	*1.35*	*1.35*	Earnings per sh B	*1.65*
.95	.80	.81	.87	.92	.97	1.03	1.08	1.13	1.22	1.30	1.38	1.46	1.54	1.62	1.68	*1.34*	*1.00*	Div'd Decl'd per sh C■	*1.00*
1.63	1.41	1.06	1.06	1.36	1.61	1.42	1.27	1.54	1.21	1.31	1.52	2.46	2.05	4.47	2.90	*3.35*	*2.95*	Cap'l Spending per sh	*3.00*
11.17	11.26	12.34	12.84	13.38	14.00	14.75	15.48	16.27	17.13	18.01	19.30	19.18	18.78	14.02	9.09	*10.70*	*11.05*	Book Value per sh D	*12.70*
109.68	109.68	86.75	83.01	80.64	79.36	79.43	79.52	78.46	77.56	77.27	77.68	77.37	71.77	55.89	55.91	*70.00*	*70.00*	Common Shs Outst'g E	*70.00*
8.2	5.8	8.2	10.2	9.9	10.7	11.3	12.8	10.2	11.0	12.3	12.6	14.4	14.9	30.5	77.1	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	*12.0*
.56	.39	.68	.77	.74	.68	.69	.76	.67	.74	.77	.73	.75	.85	1.98	3.93			Relative P/E Ratio	*.80*
9.7%	9.7%	8.0%	6.3%	6.2%	5.4%	5.1%	4.7%	5.6%	5.0%	4.6%	4.6%	4.0%	3.9%	4.1%	7.0%			Avg Ann'l Div'd Yield	*5.1%*
						1184.6	1195.6	1236.6	1220.2	1225.2	1219.2	1269.6	1341.2	1327.6	1296.1	*1200*	*1200*	Revenues ($mill)	*1275*
						150.9	144.0	162.8	176.5	179.1	185.9	198.7	201.4	82.8	33.9	*102*	*110*	Net Profit ($mill)	*130*
						38.9%	42.5%	37.3%	35.4%	32.8%	34.0%	33.9%	35.5%	33.6%	37.7%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
						3.2%	1.1%	--	--	--	--	--	.4%	2.4%	1.8%	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
						53.3%	51.9%	50.8%	50.6%	47.1%	45.0%	44.5%	50.5%	56.8%	61.5%	*55.5%*	*55.5%*	Long-Term Debt Ratio	*54.0%*
						42.0%	43.4%	45.7%	46.9%	45.6%	47.7%	47.1%	41.2%	33.0%	26.1%	*33.5%*	*34.0%*	Common Equity Ratio	*38.0%*
						2788.4	2836.4	2790.8	2835.3	3054.7	3140.9	3149.1	3270.0	2374.5	1950.1	*2225*	*2285*	Total Capital ($mill)	*2470*
						3015.7	3118.8	3139.5	3080.2	2817.5	2662.3	1716.8	1828.1	1707.1	1688.3	*1850*	*1990*	Net Plant ($mill)	*2420*
						7.6%	7.0%	7.7%	8.1%	7.7%	7.8%	8.0%	7.9%	5.9%	3.7%	*6.5%*	*7.0%*	Return on Total Cap'l	*7.5%*
						11.6%	10.6%	11.9%	12.6%	11.1%	10.8%	11.3%	12.4%	8.1%	4.5%	*10.0%*	*11.0%*	Return on Shr. Equity	*11.5%*
						12.1%	11.0%	12.3%	12.8%	12.0%	11.6%	12.1%	14.8%	10.5%	3.4%	*11.5%*	*12.0%*	Return on Com Equity F	*13.0%*
						5.1%	4.0%	5.3%	5.8%	4.8%	4.4%	5.6%	6.2%	NMF	NMF	*NMF*	*3.0%*	Retained to Com Eq	*5.0%*
						60%	66%	59%	58%	63%	64%	58%	58%	120%	NMF	*109%*	*78%*	All Div'ds to Net Prof	*68%*

CAPITAL STRUCTURE as of 3/31/02
Total Debt $1297.5 mill. Due in 5 Yrs $305.0 mill.
LT Debt $1198.3 mill. LT Interest $83.5 mill.
(LT interest earned: 2.6x)
Pension Liability None
Pfd Stock $243.2 mill. Pfd Div'd $16.7 mill.
Incl. 163,520 shs. 3.6%-4.3%, conv., no par, $100 liq. val. Series A pfd; 1,209,419 shs. 3.75%-4.2% and $2.10 pfd sub. stock; all cum., $50 par val., callable at $51.00-$51.84; 15 shs. 6.5% pfd sub. stock, $100,000 par val.; 10 shs. 8.5% pfd sub. stock, $50,000 par val.
Common Stock 56,438,612 shs. as of 4/30/02
MARKET CAP: $1.0 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+2.7	+5.4	-4.6
Avg. Indust. Use (MWH)	N/A	N/A	N/A
Avg. Indust. Revs. per KWH (¢)	N/A	N/A	N/A
Capacity at Peak (Mw)	N/A	N/A	N/A
Peak Load, Summer (Mw)	N/A	N/A	N/A
Annual Load Factor (%)	N/A	N/A	N/A
% Change Customers (yr-end)	+.2	+.3	N/A
Fixed Charge Cov. (%)	198	83	75

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	4.5%	7.0%	-3.0%
"Cash Flow"	6.5%	8.0%	-10.5%
Earnings	-.5%	-8.0%	2.5%
Dividends	6.0%	6.0%	-7.5%
Book Value	.5%	-4.0%	-1.5%

Calendar	QUARTERLY REVENUES ($ mill.) A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	317.0	315.0	384.2	325.0	1341.2
2000	310.1	328.6	352.3	336.6	1327.6
2001	320.5	313.4	351.5	310.7	1296.1
2002	308.1	*275*	*330*	*286.9*	*1200*
2003	*290*	*285*	*335*	*290*	*1200*

Calendar	EARNINGS PER SHARE B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.62	.55	.64	.84	2.65
2000	.56	.18	.15	.42	1.31
2001	.22	.10	.25	d.26	.31
2002	.29	*.35*	*.36*	*.35*	*1.35*
2003	*.27*	*.34*	*.38*	*.36*	*1.35*

Calendar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.36	.36	.36	.38	1.46
1999	.38	.38	.38	.38	1.52
2000	.40	.40	.40	.40	1.60
2001	.42	.42	.42	.42	1.68
2002	.42	.42			

BUSINESS: DQE, Inc. delivers essential products and services, including electricity, water, and communications, to more than one million customers throughout the U.S. Duquesne Light Co. distributes electricity in an 817-square-mile service area, including Pittsburgh and municipalities in western Pennsylvania. Other subs. include: AquaSource, DQE Capital Corp., DQE Energy Svcs, DQE Ents, DQE Financial Corp., and DQE Sys. 2001 elec. op. revs.: resid'l, 38.7%; commerc'l, 45.0%; ind'l, 17.1%; other, 1.2%. Sold generating assets to Orion Power Holdings 4/00. 2001 deprec. rate: 15.2%. Has 2,540 employees; 58,000 stkhldrs. Chrmn: N/A. CEO & Pres.: Morgan K. O'Brien. Inc.: PA. Addr.: 411 Seventh Avenue, Pittsburgh, PA 15219. Tel.: 412-393-6000. Web: www.dqe.com.

DQE has added some clarity to its 2002 earnings prospects . . . Early this year, management maintained that the company could still earn its common dividend of $1.68 a share, or roughly $94 million in net income. Last month, DQE announced that aftertax earnings would probably be closer to $85 million-$90 million. A mild winter and a soft domestic economy likely contributed to the downward revision. On a per-share basis, we expect net income to be near $1.35 a share, excluding possible, one-time asset sale charges and assuming that management goes ahead with a planned common stock offering of up to $250 million this summer. In 2003, share net should about match that of 2002.

. . . as well as its "Back-to-Basics" plan to improve long-term results. In addition to the stock issue, DQE intends to improve its financial position by divesting noncore assets, paying down debt, developing an economical long-term source of power for the core Duquesne Light subsidiary, and reducing the dividend payout. The company has targeted its energy-technology investments, propane unit, and water and wastewater management business for sale. These assets are worth $415 million on the books. Net proceeds would go to retire debt. With regard to Duquesne Light's power supply needs, management believes that construction of two 600-megawatt gas-fired plants (financed via debt and equity) would be the best plan of action. The first of the two plants will cost $400 million, and should be in operation by mid-decade, assuming regulatory approvals and adequate rate treatment.

The board of directors has indicated that a common dividend cut is in the offing. It is considering a reduction in the quarterly distribution to $0.25 a share starting in the upcoming December period, down from the current $0.42-a-share level. This would save cash and lend DQE flexibility to improve its overall finances.

Investors may want to stay on the sidelines for now. It may take as long as 18 months for management to unwind noncore assets, and full book value might not be realized. DQE is transforming itself into a pure-play electric utility, but the transition isn't likely to be easy.

David M. Reimer *June 7, 2002*

(A) Beginning in Mar. '02, reflects discontinuation of competitive transition charge.
(B) Diluted egs. Excl. nonrecurr. gains (losses): '86, (20¢); '87, (22¢); '97, 17¢; '98, ($1.06); '00, $1.08; '01, net ($3.06). Next egs rpt. due late July. (C) Next div'd mtg. in late Aug. Goes ex in early Sep. Div'd pmt dates: 1st of Jan., Apr., July, Oct. ■ Div'd reinvest. plan avail. (D) Incl. regulatory assets. In '01, $4.78/sh. (E) In mill., adj'd for stock split. (F) Rate base determ.: fair value. Rate allowed on com. eq. in '88: 12.9%. Return on avg. com. eq.: '01, 2.7%.

Company's Financial Strength	B
Stock's Price Stability	90
Price Growth Persistence	45
Earnings Predictability	45

ENERGY EAST CORP. NYSE-EAS

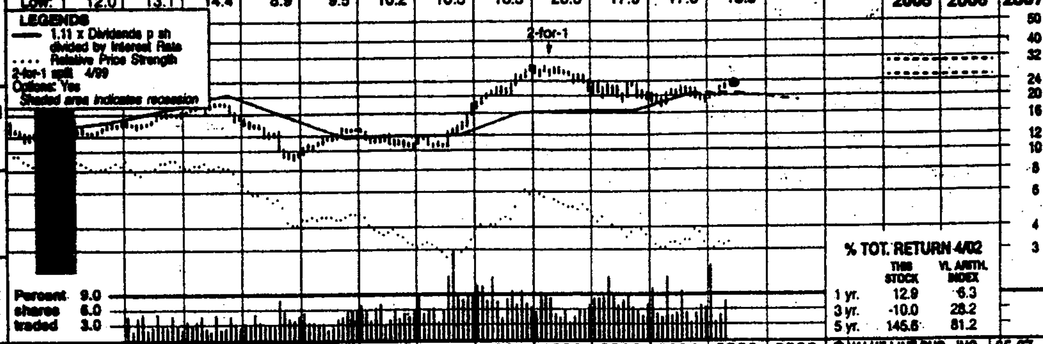
RECENT PRICE 23.04 | P/E RATIO 12.8 (Trailing: 11.8 / Median: 11.0) | RELATIVE P/E RATIO 0.67 | DIV'D YLD 4.3% | VALUE LINE 164

TIMELINESS 4 Lowered 8/4/00
SAFETY 2 Lowered 3/9/01
TECHNICAL 3 Raised 5/31/02
BETA .90 (1.00 = Market)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	14.8	16.4	18.3	15.3	13.4	13.2	17.9	29.0	28.6	23.6	22.1	23.1
Low:	12.0	13.1	14.4	8.9	9.5	10.2	10.3	16.5	20.6	17.9	17.0	18.5

Target Price Range 2005 | 2006 | 2007

LEGENDS
— 1.11 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 4/99
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(+30%)	10%
Low	25	(+10%)	6%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	1	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	1
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	80	91	97
to Sell	75	72	77
Hld's(000)	56532	54080	55726

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	12.9	6.3
3 yr.	-10.0	28.2
5 yr.	145.6	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
11.81	11.57	11.82	12.40	11.99	12.27	12.18	12.75	13.28	14.05	14.78	15.78	19.85	20.84	25.15	32.21	30.20	31.65	Revenues per sh	35.75
2.86	2.59	2.52	2.50	2.35	2.37	2.32	2.20	2.43	2.54	2.64	2.77	3.06	3.37	3.42	3.75	3.45	3.55	"Cash Flow" per sh	4.25
1.93	1.61	1.35	1.22	1.24	1.18	1.20	1.04	1.19	1.25	1.26	1.29	1.51	1.91	2.07	2.00	1.80	1.90	Earnings per sh A	2.25
1.30	1.32	1.00	1.01	1.03	1.05	1.07	1.09	1.00	.70	.70	.70	.78	.84	.88	.92	.96	1.00	Div'd Decl'd per sh B ■	1.12
3.02	2.58	2.20	1.67	1.69	1.92	1.75	1.88	1.72	1.14	1.54	.92	1.04	.64	1.32	1.79	1.85	1.90	Cap'l Spending per sh	2.00
12.93	9.93	10.35	10.64	10.93	11.08	11.42	11.44	11.64	12.19	12.70	13.36	13.61	12.84	14.59	15.26	16.10	17.05	Book Value per sh C	19.75
108.12	111.47	113.40	115.11	124.86	126.80	138.88	141.19	143.01	143.01	139.34	135.02	125.89	109.34	117.66	116.72	117.50	118.50	Common Shs Outst'g D	115.00
8.3	8.5	8.4	10.4	9.9	11.1	12.3	16.2	9.9	9.3	9.1	9.7	14.6	13.4	10.1	9.8	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	12.0
.56	.57	.70	.79	.74	.71	.75	.98	.65	.62	.57	.56	.76	.76	.66	.50			Relative P/E Ratio	.80
8.1%	9.7%	8.8%	8.0%	8.4%	8.0%	7.3%	6.5%	8.5%	6.0%	6.1%	5.6%	3.5%	3.3%	4.2%	4.7%			Avg Ann'l Div'd Yield	4.2%

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
1691.7	1800.1	1898.9	2009.5	2059.4	2130.0	2499.4	2278.6	2959.5	3759.8	3550	3750	Revenues ($mill)	4100
164.0	166.0	187.6	196.7	188.2	184.6	202.8	225.1	237.6	235.4	210	225	Net Profit ($mill)	265
32.7%	34.1%	35.3%	37.1%	37.6%	38.9%	40.4%	36.7%	39.7%	44.2%	38.0%	38.0%	Income Tax Rate	38.0%
1.9%	2.6%	1.9%	1.1%	1.3%	.4%	.2%	.1%	.3%	Nil	Nil	Nil	AFUDC % to Net Profit	Nil
48.9%	46.4%	46.1%	45.3%	43.4%	42.5%	44.8%	46.6%	57.1%	60.7%	57.0%	55.0%	Long-Term Debt Ratio	53.5%
43.7%	46.0%	46.5%	50.0%	51.9%	52.8%	53.5%	53.0%	41.8%	38.4%	42.0%	44.0%	Common Equity Ratio	45.5%
3630.9	3511.8	3581.4	3490.5	3410.2	3413.0	3203.0	2649.2	4106.7	4640.8	4500	4600	Total Capital ($mill)	5000
3833.3	3920.2	3987.3	3963.6	3982.4	3922.3	3862.7	2139.8	3632.9	3626.4	3655	3680	Net Plant ($mill)	3750
7.1%	6.3%	7.0%	7.3%	7.1%	7.0%	7.9%	10.5%	7.4%	7.2%	7.0%	7.0%	Return on Total Cap'l	7.0%
9.9%	8.8%	9.7%	10.3%	9.8%	9.4%	11.5%	15.9%	13.5%	12.9%	11.0%	11.0%	Return on Shr. Equity	11.5%
10.3%	9.0%	10.1%	10.2%	10.1%	9.7%	11.3%	15.8%	13.8%	13.1%	11.0%	11.0%	Return on Com Equity E	11.5%
1.2%	NMF	1.6%	4.5%	4.3%	4.4%	5.5%	8.8%	8.0%	7.1%	5.0%	5.5%	Retained to Com Eq	6.0%
90%	104%	86%	60%	59%	57%	54%	45%	42%	46%	54%	53%	All Div'ds to Net Prof	50%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $3128.0 mill. Due in 5 Yrs $984.5 mill.
LT Debt $2632.8 mill. LT Interest $188.2 mill.
Incl. $345 mill. 8¼% mandatorily redeemable trust preferred securities.
(LT interest earned: 3.0x)
Pension Liability None
Pfd Stock $43.4 mill. Pfd Div'd $1.9 mill.
463,487 shs. 3.50%-6.00%, cum., $100 par, redeemable at $100-$110; 108,843 shs. 8.0%, cum., $3.125 par. Incl. $3.3 mill. issuance costs.
Common Stock 116,831,563 shs. as of 4/30/02
MARKET CAP: $2.7 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+4.3	+23.8	+35.6
Avg. Indust. Use (MWH)	1300	1305	NA
Avg. Indust. Revs. per KWH (¢)	7.08	5.72	4.82
Capacity at Peak (Mw)	NMF	NMF	NMF
Peak Load, Winter (Mw)	2594	5029	NA
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (yr-end)	+1.0	+70.9	+1.2
Fixed Charge Cov. (%)	324	331	273

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	8.0%	13.0%	5.5%
"Cash Flow"	4.0%	7.0%	3.0%
Earnings	5.0%	10.0%	2.0%
Dividends	-1.5%	2.0%	4.0%
Book Value	2.5%	3.0%	5.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	654.5	507.9	571.0	545.2	2278.6
2000	684.4	571.9	651.2	1052.0	2959.5
2001	1271.1	849.0	798.9	840.8	3759.8
2002	1028.6	800	821.4	900	3550
2003	1100	850	850	950	3750

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.68	.39	.41	.43	1.91
2000	.83	.50	.30	.44	2.07
2001	.98	.23	.21	.57	2.00
2002	.95	.10	.15	.60	1.80
2003	1.00	.15	.10	.65	1.90

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.175	.20	.20	.20	.78
1999	.21	.21	.21	.21	.84
2000	.22	.22	.22	.22	.88
2001	.23	.23	.23	.23	.92
2002	.24	.24			

BUSINESS: Energy East Corporation is a holding company for New York State Electric & Gas (NYSEG), Central Maine Power, Connecticut Natural Gas, & Southern Connecticut Gas. Serves 1.4 mill. elec. & 604,000 gas customers in NY & New England. Acq'd Connecticut Energy 2/00; CMP Group, CTG Resources & Berkshire Energy 9/00. Revs.: NY, 60%; ME, 25%; CT, 14%; MA, 1%. Elec. rev. breakdown, '01: res'l, 40%; comm'l, 25%; ind'l, 12%; other, 23%. Generating sources: nuclear, 7%; hydro, 1%; purch., 92%. Fuel costs: 54% of revs. '01 reported depr. rate: 3.1%. Has 5,800 empls., 34,400 com. stockholders. Chairman, Pres. & CEO: Wesley W. von Schack. Inc.: NY. Address: P.O. Box 12904, Albany, NY 12212-2904. Tel.: 518-434-3049. Internet: www.energyeast.com.

Energy East's buyout of RGS Energy could be completed soon. Only SEC approval is needed. Under the agreement, Energy East will pay $1.4 billion (55% cash, 45% stock) for RGS, the parent of Rochester Gas and Electric. The deal will probably close some time around mid-2002. Because the first quarter (the seasonally strongest period for RGS) is already over, the transaction is likely to be neutral or slightly dilutive to Energy East's earnings in 2002.

Energy East has been heavily involved in regulatory matters this year over and above the RGS purchase. New York State Electric and Gas (NYSEG) agreed to a $205 million (13%) rate reduction that took effect on March 1st. There are some mitigating factors, but such a large cut will still hurt the utility's earning power by $70 million this year. Beyond 2002, NYSEG will be able to earn money on its energy supply function (if it can hedge its costs effectively) and it will be able to earn a return on equity of 15.5%, which is high by utility standards. NYSEG has also reached a gas rate settlement with the staff of the New York State commission, which will enable the utility to pass on changes in gas costs to customers. Importantly, Energy East has been obtaining performance-based ratemaking (PBR) clauses in its regulatory orders, and it will seek such mechanisms in RG&E's gas and electric rates. Once NYSEG's gas settlement is approved, probably later in June, the rates of all of Energy East's current utilities will have PBR mechanisms.

Earnings are likely to recover partially in 2003 after a decline this year. 2002 is a transitional year for Energy East, considering NYSEG's electric rate cut and the pending RGS deal. In 2003, Energy East should benefit from the aforementioned PBR mechanisms. Note that our estimates and projections will *exclude* RGS until after the transaction — which should be slightly accretive to 2003 earnings—has been completed.

This equity's yield is about average by utility standards. The stock is ranked 4 (Below Average) for Timeliness. Total-return prospects to 2005-2007 are unspectacular, but would likely be enhanced by the addition of RGS.

Paul E. Debbas, CFA — *June 7, 2002*

(A) Excl. nonrecurring gains (losses): '88, 5¢; '89, 5¢; '96, (7¢); '99, net (3¢); '00, (40¢); '01, (90¢); '02, (5¢). '01 EPS don't add due to rounding. Next earnings report due late July. (B) Next div'd meeting in mid-July. Goes ex in mid-July. Div'd payment dates: 15th of Feb., May, Aug., Nov. ■ Div'd reinvest. plan avail. (C) Incl. intangibles. In '01: $18.03/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rate allowed on com. eq. (elec.) in '02: 15.5%; gas in '98: 13%; earned on avg. com. eq., '01: 13.2%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	35
Earnings Predictability	80

ENTERGY CORP. NYSE-ETR

RECENT PRICE 41.75 | P/E RATIO 11.9 (Trailing: 13.1; Median: 12.0) | RELATIVE P/E RATIO 0.66 | DIV'D YLD 3.3% | VALUE LINE 707

High:	29.9	33.6	39.8	37.4	29.3	30.4	30.3	32.4	33.5	43.9	44.7	46.8	Target Price Range 2005 2006 2007
Low:	21.9	26.1	32.5	21.3	20.0	24.9	22.4	23.3	23.7	15.9	32.8	38.3	

TIMELINESS 3 New 4/13/01
SAFETY 2 Raised 10/6/00
TECHNICAL 3 Raised 6/7/02
BETA .50 (1.00 = Market)

2005-07 PROJECTIONS

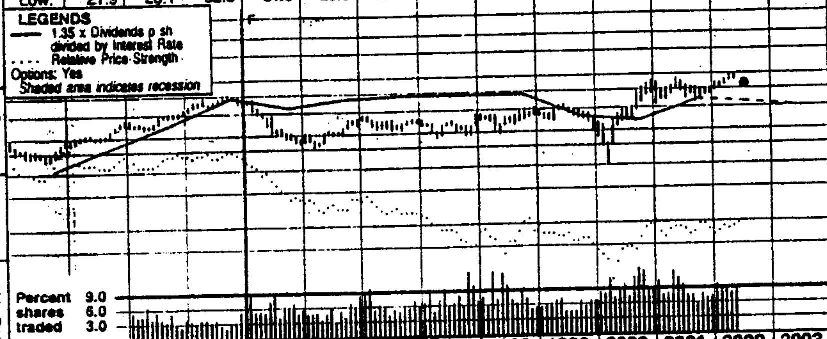
	Price	Gain	Ann'l Total Return
High	70	(+70%)	16%
Low	50	(+20%)	8%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	1	0	2	0	4
to Sell	0	0	0	0	1	0	0	0	1

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	131	137	157
to Sell	134	133	130
Hld's(000)	165978	163310	167403



% TOT. RETURN 5/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	5.1	-0.2
3 yr.	48.3	22.2
5 yr.	103.9	62.4

Entergy Corp. (formerly Middle South Utilities) is a registered holding company. On 12/31/93, the company merged with Gulf States Utilities. Entergy shareholders received stock in the new company on a one-for-one basis. Since a cash cap of $250 million was exceeded, GSU shareholders asking for cash were given a 25% cash/75% stock disbursement. The remaining GSU stockholders received .558 share of the new company for each share held.

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
23.50	19.40	26.22	27.55	30.75	38.89	46.57	35.51	45.61	43.59	*36.60*	*38.40*	Revenues per sh	*43.75*
4.81	3.90	4.49	5.16	5.84	6.20	6.11	5.06	6.49	6.40	*6.85*	*7.30*	"Cash Flow" per sh	*8.10*
2.37	2.62	1.58	2.13	2.48	2.25	2.22	2.25	2.97	3.08	*3.50*	*3.80*	Earnings per sh A	*4.20*
1.45	1.65	1.80	1.80	1.80	1.80	1.50	1.20	1.22	1.28	*1.34*	*1.40*	Div'd Decl'd per sh B■	*1.58*
2.44	2.22	2.97	2.72	2.45	3.45	4.63	4.84	6.80	6.80	*7.75*	*6.05*	Cap'l Spending per sh	*5.35*
24.43	26.27	27.93	28.41	28.51	27.23	28.79	28.81	31.89	33.32	*35.65*	*38.05*	Book Value per sh C	*45.65*
175.14	231.22	227.41	227.77	232.96	245.84	246.83	247.08	219.60	220.73	*224.00*	*224.00*	Common Shs Outst'g E	*224.00*
12.4	13.9	17.5	11.5	11.1	11.6	12.9	13.2	10.1	12.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
.75	.82	1.15	.77	.70	.67	.67	.75	.66	.65			Relative P/E Ratio	*.95*
4.9%	4.5%	6.5%	7.4%	6.5%	6.9%	5.2%	4.1%	4.1%	3.3%			Avg Ann'l Div'd Yield	*2.6%*
4116.5	4485.3	5963.3	6274.4	7163.5	9561.7	11495	8773.2	10016	9620.9	*8200*	*8600*	Revenues ($mill)	*9800*
481.2	514.6	444.9	562.5	644.4	615.9	570.9	595.0	710.9	716.4	*805*	*875*	Net Profit ($mill)	*985*
34.8%	35.6%	22.8%	37.4%	39.6%	36.9%	37.3%	37.5%	40.3%	38.5%	*39.0%*	*39.0%*	Income Tax Rate	*39.0%*
2.6%	2.6%	4.9%	3.2%	2.8%	2.9%	4.1%	8.7%	7.9%	6.5%	*7.0%*	*5.0%*	AFUDC % to Net Profit	*5.0%*
51.7%	50.3%	50.1%	48.8%	50.9%	54.1%	47.0%	45.6%	50.4%	48.0%	*46.0%*	*45.0%*	Long-Term Debt Ratio	*41.0%*
41.5%	42.8%	43.1%	44.6%	43.1%	38.9%	50.6%	49.1%	45.6%	48.2%	*50.5%*	*51.5%*	Common Equity Ratio	*56.0%*
10310	15265	14719	14507	15407	17186	14042	14505	15351	15252	*15885*	*16625*	Total Capital ($mill)	*18325*
10736	16022	15917	15821	16223	18133	15329	15501	16497	17264	*18245*	*18815*	Net Plant ($mill)	*19828*
7.2%	5.0%	5.3%	6.1%	6.4%	5.9%	6.7%	5.7%	6.2%	6.5%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
9.7%	6.8%	6.1%	7.6%	8.5%	7.8%	7.7%	7.5%	9.3%	9.0%	*9.5%*	*9.5%*	Return on Shr. Equity	*9.0%*
9.8%	7.0%	5.7%	7.5%	8.6%	8.1%	7.4%	7.7%	9.7%	9.4%	*10.0%*	*10.0%*	Return on Com Equity D	*9.0%*
3.8%	2.6%	NMF	1.2%	2.5%	1.6%	2.1%	3.7%	5.8%	5.5%	*6.0%*	*6.5%*	Retained to Com Eq	*5.5%*
66%	67%	111%	86%	75%	83%	74%	56%	43%	44%	*40%*	*39%*	All Div'ds to Net Prof	*39%*

CAPITAL STRUCTURE as of 3/31/02:
Total Debt $8034.5 mill. Due in 5 Yrs $3299.8 mill.
LT Debt $7056.9 mill. LT Interest $482.4 mill.
(LT int. earned: 3.5x)
Pension Liability $33.7 mill. in '01 vs. None in '00

Pfd Stock $574.1 mill. Pfd Div'd $28.8 mill.
3,814,544 shs. $4.16 to $8.36, $100 par; 346,500 shs. adjustable rate; 1,480,000 shs. $8.00, $25 par; 6,000,000 shs. $7.00, preference.

Common Stock 223,209,975 shs.
MARKET CAP: $9.3 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+.3	+2.7	-3.2
Avg. Indust. Use (MWH)	1078	1112	1067
Avg. Indust. Revs. per KWH (¢)	4.76	4.95	5.53
Capacity at Peak (Mw)	22696	21727	22080
Peak Load, Summer (Mw)	20664	22052	20257
Annual Load Factor (%)	61.0	59.0	61.0
% Change Customers (yr-end)	+1.1	+1.3	+.7
Fixed Charge Cov. (%)	261	243	195

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	8.5%	12.0%	*1.0%*
"Cash Flow"	3.5%	5.5%	*5.0%*
Earnings	2.0%	3.5%	*7.0%*
Dividends	6.0%	-5.5%	*4.5%*
Book Value	3.0%	1.0%	*6.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	1639	2316	3065	1753	8773.2
2000	1811	2138	3432	2635	10016
2001	2652	2508	2576	1885	9621
2002	1861	*2000*	*2350*	*1989*	*8200*
2003	*1950*	*2100*	*2450*	*2100*	*8600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.25	.81	1.16	.03	2.25
2000	.42	1.04	1.34	.17	2.97
2001	.69	1.06	1.24	.09	3.08
2002	.80	*1.15*	*1.30*	*.25*	*3.50*
2003	*.85*	*1.25*	*1.40*	*.30*	*3.80*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.45	.45	.30	.30	1.50
1999	.30	.30	.30	.30	1.20
2000	.30	.30	.30	.315	1.22
2001	.315	.315	.315	.33	1.28
2002	.33	.33			

BUSINESS: Entergy Corporation has five subsidiaries that supply electricity to portions of Arkansas, Louisiana, Mississippi, Texas, and New Orleans. 2001 Revs.: Elect. & Gas, 77%; nonutil., 23%. Sold Missouri retail operations 3/92. Merged with Gulf States Utilities 12/93. '01 electric revenues: residential, 37%; commercial, 27%; industrial, 33%; other, 3%. Chemical processing, allied products, petroleum refining, paper, and food products industries are main customers. Fuels: gas, 34%; nuclear, 43%; coal, 15%; oil, 8%. '01 depreciation rate: 2.8%. Has 14,871 employees, 60,327 stockholders. Chairman: Robert Luft. Chief Executive Officer: J. Wayne Leonard. Inc.: DE. Address: 639 Loyola Avenue, New Orleans, LA 70113. Tel.: 504-529-5262. Internet: www.entergy.com.

Entergy keeps adding nuclear generation to its portfolio. At yearend 2001, it owned nine nuclear units with a total capacity of 4,500 megawatts (mw). It has since contracted to buy the Vermont Yankee 540-mw nuclear plant for $180 million and will spend another $50 million to upgrade the facility. It has agreed to sell the unit's output for 10 years to the existing owners. The purchase is expected to close shortly. ETR has also received Nuclear Regulatory Commission sanction to extend the life of its Arkansas nuclear 1 plant by 20 years (to 2034) and to boost the capacity of the number 2 unit. We think it will soon request approval to extend the license of its other nuclear plants. Through ownership of a number of units, Entergy has realized substantial cost savings that owners of only one plant haven't been able to achieve.

The company is scaling back plans for new fossil-fueled plants. It will begin operating a 320-mw peaking unit in Chicago this summer and will complete rehabilitation of an 840-mw lignite facility in Bulgaria by yearend. But it recently sold its minority interests in generating facilities in Argentina, Chile, and Peru because of economic problems in those countries. And it has placed on hold plans to build gas-fired plants in Spain and Italy, due to uncertainties over cost and depressed power prices. Finally, ETR is seeking to return 15 of the 36 gas turbines that it bought from GE, because of a decline in their value.

Earnings should continue to move higher in 2002. A full year's contribution from last September's purchase of the Indian Point 2 nuclear plant will add $0.25 a share to net. Other pluses include the end of goodwill amortization and the absence of last year's expenses related to the failed merger with FPL Group. All told, we estimate a 14% rise in current-year earnings, to $3.50 a share, and further improvement in 2003.

The year-ahead yield is below the industry norm. But based on our projection of 7% annual earnings gains to 2005-2007, dividend growth prospects over the same period exceed those of the group. On balance, we rate Entergy an average electric utility investment.

Arthur H. Medalie *July 5, 2002*

(A) Dil. egs. Next egs. rpt. late July. Excl. nonrecur. gains (losses): '91, 13¢; '92, 11¢; '93, 54¢; '95, 15¢; '96, (65¢); '97, ($1.22); '98, 78¢; '01, 15¢; '02, ($1.15). (B) Next div. mtg. late July. Next ex date mid-Aug. Div. pmnt dates: 1st of Mar., June, Sep., Dec. ■ Div. rein. plan avail. (C) Incl. def. chgs. In '01: $11.93/sh. (D) Rate base: net orig. cost. Rates allowed on com. eq.: 10.78%-13.0%. Earned on avg. com. eq. in '01: 9.6%. Reg. Clim.: Avg. (E) In mills. (F) Merg. with GSU, 12/93.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	20
Earnings Predictability	85

FPL GROUP, INC. NYSE-FPL

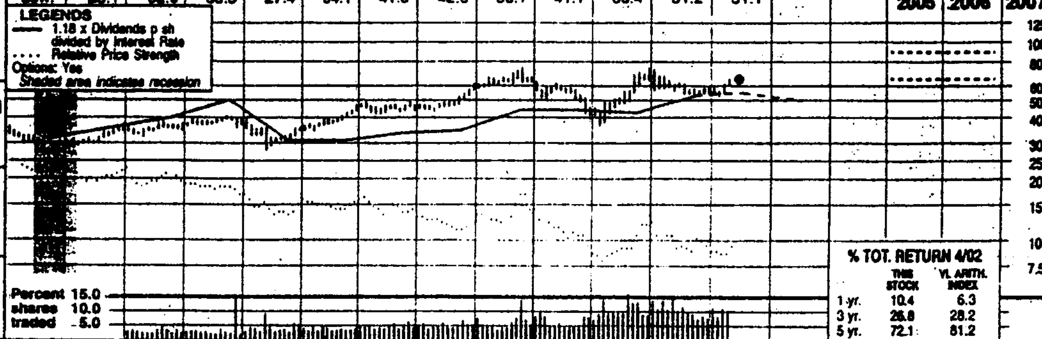
RECENT PRICE 63.80 | P/E RATIO 13.3 (Trailing: 13.3; Median: 13.0) | RELATIVE P/E RATIO 0.70 | DIV'D YLD 3.7% | VALUE LINE 166

TIMELINESS 3 Raised 11/2/01
SAFETY 2 Lowered 12/20/91
TECHNICAL 3 Raised 5/10/02
BETA .45 (1.00 = Market)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	37.3	38.4	41.0	39.1	46.5	48.1	60.0	72.6	61.9	73.0	71.6	65.3
Low:	28.1	32.0	35.5	27.4	34.1	41.5	42.6	56.1	41.1	36.4	51.2	51.1

Target Price Range 2005 | 2006 | 2007

LEGENDS
—— 1.18 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	90	(+40%)	12%
Low	65	(Nil)	4%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	160	196	200
to Sell	174	145	149
Hld's(000)	104214	104012	106222

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	10.4	6.3
3 yr.	26.8	28.2
5 yr.	72.1	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
31.47	34.14	44.64	46.35	39.05	30.74	28.41	27.97	29.07	30.28	33.02	35.03	36.86	36.06	40.29	48.19	50.90	55.90	Revenues per sh A	76.45
5.90	6.93	7.78	8.76	6.08	5.56	5.59	5.85	6.45	7.97	8.42	9.23	10.78	9.73	9.88	10.03	13.50	14.35	"Cash Flow" per sh	17.80
2.90	3.10	3.10	3.12	2.65	2.65	2.65	2.75	2.91	3.16	3.33	3.57	3.85	4.07	4.14	4.62	4.80	4.90	Earnings per sh A B	5.25
2.02	2.10	2.18	2.28	2.34	2.39	2.43	2.47	1.88	1.76	1.84	1.92	2.00	2.08	2.16	2.24	2.32	2.40	Div'd Decl'd per sh C=	2.65
4.95	5.41	5.11	6.44	6.45	7.01	6.95	6.56	4.07	3.63	2.67	3.03	3.41	4.82	7.39	6.56	5.00	5.00	Cap'l Spending per sh	4.00
22.99	23.82	24.90	25.89	19.63	19.64	20.99	21.57	22.50	23.78	25.12	26.65	28.37	30.07	31.82	34.20	33.00	33.50	Book Value per sh D	35.50
130.03	130.03	131.12	133.34	161.07	170.76	182.79	180.07	186.57	184.69	182.82	181.82	180.71	178.55	175.77	175.85	170.00	170.00	Common Shs Outst'g F	170.00
11.0	10.0	9.8	10.2	11.5	12.0	13.3	13.9	11.3	12.3	13.5	13.5	16.2	13.0	12.8	12.5	Bold figures are		Avg Ann'l P/E Ratio	15.0
.75	.67	.81	.77	.85	.77	.81	.82	.74	.82	.85	.78	.84	.74	.83	.64	Value Line		Relative P/E Ratio	1.00
6.3%	6.8%	7.2%	7.1%	7.7%	7.5%	6.9%	6.4%	5.7%	4.5%	4.1%	4.0%	3.2%	3.9%	4.1%	3.9%	estimates		Avg Ann'l Div'd Yield	3.4%

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
5193.3	5316.3	5422.7	5592.5	6036.8	6369.0	6661.0	6438.0	7082.0	8475.0	8850	9500	Revenues ($mill)	13000
510.9	556.4	518.7	596.7	603.2	637.0	679.0	712.0	719.0	796.0	815	835	Net Profit ($mill)	900
33.9%	35.3%	37.2%	35.5%	32.8%	32.3%	29.1%	31.2%	31.8%	32.3%	32.0%	32.0%	Income Tax Rate	33.0%
11.3%	11.9%	4.6%	2.5%	--	--	--	--	3.0%	3.5%	4.0%	4.0%	AFUDC % to Net Profit	3.5%
49.4%	46.4%	46.1%	41.6%	39.0%	36.8%	30.5%	38.3%	40.6%	43.8%	42.0%	41.5%	Long-Term Debt Ratio	41.5%
44.3%	47.3%	47.7%	54.2%	56.9%	60.4%	66.6%	59.2%	57.1%	54.2%	54.5%	55.0%	Common Equity Ratio	56.0%
8667.9	8669.3	8792.6	8108.7	8068.0	8020.0	7699.0	9074.0	9795.0	11099	11150	11450	Total Capital ($mill)	12500
9866.3	10289	10203	9852.0	9383.9	9354.0	8555.0	9264.0	9934.0	11662	11880	12250	Net Plant ($mill)	13500
8.0%	8.1%	7.4%	9.0%	9.0%	9.5%	10.0%	9.0%	8.6%	8.5%	10.5%	11.0%	Return on Total Cap'l	11.5%
11.8%	12.0%	10.9%	12.8%	12.3%	12.6%	12.7%	12.7%	12.4%	12.8%	13.5%	13.5%	Return on Shr. Equity	15.0%
12.2%	12.5%	11.4%	12.6%	12.6%	12.8%	13.0%	13.0%	12.6%	13.0%	13.5%	13.5%	Return on Com Equity E	15.0%
2.1%	1.3%	3.4%	5.6%	5.6%	5.9%	6.2%	6.6%	6.3%	7.0%	6.5%	6.5%	Retained to Com Eq	7.0%
84%	91%	72%	59%	57%	55%	53%	50%	51%	47%	49%	49%	All Div'ds to Net Prof	50%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $6840 mill. - Due in 5 Yrs $3700 mill.
LT Debt $4858 mill. LT Interest $310 mill.
Leases Uncapitalized None
Pension Liability None

Pfd Stock $226 mill. Pfd Div'd $15 mill.
Consists of 3,262,500 shs. 4.32% to 7.40%, all $100 par, cum., and callable from 101 to 105.10 per sh.; 570,000 shs. 6.84% to 8.625% cum., $100 par, callable from 104.56 to 108.63, sinking fund began 4/1/80; 5,000,000 shs. $2.00 No Par.
Common Stock 169,000,000 shs.
MARKET CAP: $10.8 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	-6.0	+5.0	+4.9
Avg. Indust. Use (MWH)	260	265	262
Avg. Indust. Revs. per KWH (¢)	4.78	4.89	4.95
Capacity at Peak (Mw)	18450	19069	18871
Peak Load, Summer (Mw)	17615	17808	18754
Annual Load Factor (%)	63	63	63
% Change Customers (yr-end)	+2.1	+2.3	+2.3
Fixed Charge Cov. (%)	365	403	395

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	.5%	6.0%	10.5%
"Cash Flow"	4.0%	5.5%	10.5%
Earnings	4.5%	6.5%	3.5%
Dividends	-1.0%	3.5%	3.5%
Book Value	4.0%	6.0%	1.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	1412	1614	1892	1520	6438
2000	1468	1670	2087	1857	7082
2001	1941	2166	2529	1839	8475
2002	1843	2257	2500	2050	8650
2003	2100	2400	2700	2300	9500

Cal-endar	EARNINGS PER SHARE B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.60	1.06	1.70	.71	4.07
2000	.72	1.20	1.84	.38	4.14
2001	.64	1.30	1.98	.70	4.62
2002	.80	1.27	1.95	.78	4.80
2003	.80	1.30	1.97	.83	4.90

Cal-endar	QUARTERLY DIVIDENDS PAID C= Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.50	.50	.50	.50	2.00
1999	.52	.52	.52	.52	2.08
2000	.54	.54	.54	.54	2.16
2001	.56	.56	.56	.56	2.24
2002	.58	.58			

BUSINESS: FPL Group, Inc. owns 100% of Florida Power & Light, which supplies electricity in a 27,650-square-mile area in eastern and southern Florida with a population of nearly eight million. Utility revenue breakdown in 2001: residential, 56%; commercial, 38%; industrial, 3%; other, 3%. Energy Mix: oil, 26%; gas, 24%; nuclear, 24%; purchased power, 20%; coal, 6%. Fuel costs: 48% of revenues. 2001 depreciation rate: 4.2%. Sold Colonial Penn Group 8/91. Nonutility operations accounted for about 12% of total 2001 revenues. Has approximately 10,990 employees, 40,990 shareholders. Chairman & Chief Executive Officer: Lewis Hay. Incorporated: Florida. Address: 700 Universe Boulevard, Juno Beach, FL 33408. Tel.: 561-694-4697. Internet: www.investor.fplgroup.com.

FPL Group's earnings momentum will likely slow in 2002 and 2003. The utility's new four-year rate agreement, which became effective April 15th, reduces base electricity rates by 7%, or roughly $1 billion. The new agreement does not establish a range for a return on equity, but it will almost certainly reduce Florida Power & Light's revenue stream over the next four years. In addition, Florida regulators are studying a proposal by FPL and its neighboring utilities, Florida Power Corp. and Tampa Electric, to create a regional transmission organization to be called GridFlorida. Last last year, the Florida Public Service Commission ruled that the company's participation in GridFlorida was in order, but it requested a change of the original proposal. The change would stipulate that transmission assets would remain the property of the individual investor-owned utilities, and not the new umbrella group. On the bright side, FPL continues to benefit from impressive customer growth. All told, customer growth advanced by 2.3% in 2001, roughly double that of the average utility under our review.

The utility is building up its generating capacity to meet increased customer demand. FPL added 1,200 megawatts of new generation last year, and will add another 1,100 megawatts of power in 2002 by converting the oil-fired units at its Sanford plant to a natural gas-fired combined cycle configuration.

In the meantime, FPL is also growing its nonregulated energy portfolio. Net income for the company's nonregulated power subsidiary, FPL Energy, now comprises roughly 15% of total earnings, up from 12% in 2001. The company recently purchased 843 megawatts of wind assets in the central and western regions of the U.S., and is expanding its gas-fired Doswell plant in Virginia by 171 megawatts. All told, FPL Energy expects to have an 11,500-megawatt power portfolio by the end of 2004.

The stock's 3- to 5-year total return potential is not particularly attractive. Conservative, income-oriented accounts should do better elsewhere. In the meantime, the stock is ranked to move with the market in the year ahead.

Perry H. Roth *June 7, 2002*

(A) Incl. Colonial Penn: '86-'90. (B) Based on avg. shares. Excl. nonrec. (losses), gains: '88, 32¢; '90, ($5.50); '91, ($1.19); '93, (45¢), '00, (11¢); '02, ($1.13). Next egs. rpt. due late July. (C) Next div'd mtg mid-Aug. Goes ex late Aug. Div'd pmt. dates: 15th of Mar., Jun., Sept., Dec. = Div'd reinvestment plan avail. (D) Incl. deferred items in '01: $144 mill., 82¢/sh. (E) Rate allowed on com. equity in '98: 10.0%-12.0%; earned on '01 avg. com. eq.: 13.5%. Reg.: Above Avg. (F) In millions.

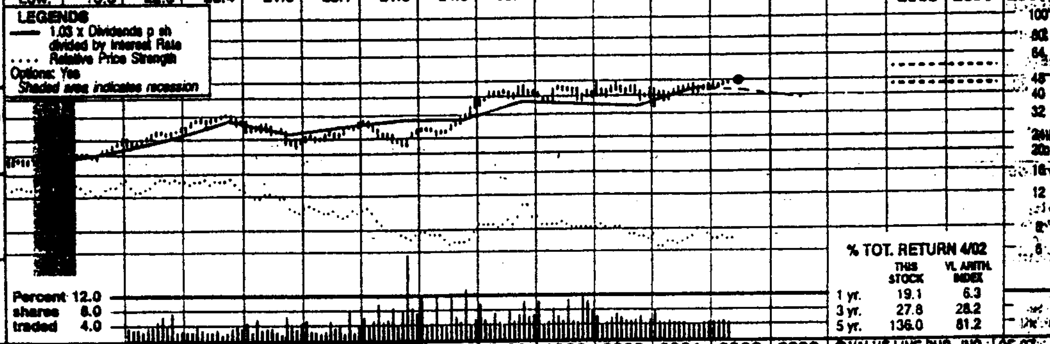
Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	95

NSTAR NYSE-NST

RECENT PRICE 47.62 | P/E RATIO 14.2 (Trailing: 15.1; Median: 12.0) | RELATIVE P/E RATIO 0.75 | DIV'D YLD 4.5% | VALUE LINE 169

TIMELINESS 5 Lowered 2/1/02
SAFETY 1 Raised 6/11/99
TECHNICAL 3 Raised 5/31/02
BETA .55 (1.00 = Market)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	24.9	28.3	32.6	29.9	29.5	30.1	38.4	44.9	44.6	47.0	45.2	48.0
Low:	18.3	22.3	26.4	21.5	23.1	21.8	24.6	35.1	36.4	36.4	33.9	42.3



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+15%)	6%
Low	45	(-5%)	3%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	1	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	67	62	73
to Sell	58	66	61
Hld's(000)	21736	19954	20318

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	19.1	6.3
3 yr.	27.8	28.2
5 yr.	136.0	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
29.95	31.56	31.74	32.95	32.27	31.39	31.54	32.84	34.01	33.92	34.35	36.61	34.39	31.89	50.90	60.19	*57.50*	*61.30*	Revenues per sh	*78.50*
5.55	4.95	5.13	5.73	5.86	5.75	5.88	5.95	6.69	6.23	7.31	7.32	7.67	6.09	7.55	7.63	*7.95*	*8.65*	"Cash Flow" per sh	*10.50*
2.58	1.97	1.86	1.90	1.60	1.96	2.10	2.28	2.41	2.08	2.61	2.71	2.76	2.77	3.19	3.27	*3.35*	*3.65*	Earnings per sh A	*4.00*
1.75	1.80	1.82	1.75	1.54	1.60	1.66	1.72	1.78	1.84	1.88	1.88	1.90	1.96	2.02	2.08	*2.14*	*2.20*	Div'd Decl'd per sh B ■	*2.38*
4.73	8.26	6.47	6.12	6.56	5.09	5.16	5.63	4.85	4.15	4.25	2.46	3.14	3.06	3.56	4.43	*5.95*	*4.30*	Cap'l Spending per sh	*3.00*
19.38	19.37	19.38	16.73	17.22	17.92	18.77	19.42	20.11	20.61	21.09	21.96	22.27	26.57	25.31	23.81	*25.00*	*26.45*	Book Value per sh C	*29.25*
36.91	37.43	37.89	38.53	39.00	42.05	44.78	45.13	45.54	48.00	48.51	48.52	47.18	58.06	53.03	53.03	*53.03*	*53.03*	Common Shs Outst'g D	*49.00*
9.8	11.4	8.5	9.3	11.6	10.6	11.9	13.1	10.7	12.3	9.7	10.6	14.6	14.6	12.9	12.7	*Bold figures are*		Avg Ann'l P/E Ratio	*12.5*
.66	.76	.71	.70	.86	.68	.72	.77	.70	.82	.61	.61	.76	.83	.84	.65	*Value Line*		Relative P/E Ratio	*.85*
7.0%	8.0%	11.5%	9.9%	8.3%	7.7%	6.6%	5.8%	6.9%	7.2%	7.4%	6.5%	4.7%	4.8%	4.9%	5.0%	*estimates*		Avg Ann'l Div'd Yield	*4.7%*
						1411.8	1482.3	1548.6	1628.5	1666.3	1776.2	1622.5	1851.4	2699.5	3191.8	*3050*	*3250*	Revenues ($mill)	*3850*
						107.3	118.2	125.0	112.3	141.5	144.6	141.0	146.5	181.0	179.1	*180*	*195*	Net Profit ($mill)	*200*
						9.9%	22.8%	30.3%	37.2%	38.3%	36.3%	34.3%	29.1%	41.6%	41.4%	*41.0%*	*41.0%*	Income Tax Rate	*41.0%*
						7.3%	5.5%	6.0%	4.2%	1.6%	.8%	1.2%	1.5%	2.5%	2.8%	*2.0%*	*1.0%*	AFUDC % to Net Profit	*1.0%*
						50.7%	53.7%	50.1%	49.1%	46.1%	46.1%	45.5%	50.0%	59.4%	59.2%	*55.5%*	*54.5%*	Long-Term Debt Ratio	*52.0%*
						39.0%	37.0%	40.4%	41.8%	44.5%	46.5%	50.1%	47.2%	39.4%	39.5%	*43.0%*	*44.5%*	Common Equity Ratio	*47.0%*
						2152.4	2368.0	2269.4	2364.7	2298.5	2291.6	2099.5	3269.3	3409.8	3197.4	*3090*	*3165*	Total Capital ($mill)	*3075*
						2720.0	2844.6	2930.0	2955.6	2956.6	2854.1	2270.7	2550.6	2523.6	2625.4	*2710*	*2690*	Net Plant ($mill)	*2350*
						7.5%	7.0%	7.5%	7.0%	8.2%	8.3%	8.7%	6.1%	7.6%	8.1%	*8.0%*	*8.5%*	Return on Total Cap'l	*8.5%*
						10.1%	10.8%	11.0%	9.3%	11.4%	11.7%	12.3%	9.0%	13.1%	13.7%	*13.0%*	*13.5%*	Return on Shr. Equity	*13.5%*
						10.8%	11.7%	11.9%	9.8%	12.3%	12.3%	12.6%	9.1%	13.0%	13.7%	*13.5%*	*14.0%*	Return on Com Equity E	*14.0%*
						2.5%	2.9%	3.2%	1.2%	3.5%	3.7%	3.9%	2.4%	4.8%	5.0%	*5.0%*	*5.5%*	Retained to Com Eq	*5.5%*
						80%	78%	76%	89%	75%	73%	71%	74%	64%	64%	*65%*	*61%*	All Div'ds to Net Prof	*58%*

CAPITAL STRUCTURE as of 12/31/01
Total Debt $2595.3 mill. Due in 5 Yrs $1199.5 mill.
LT Debt $1891.8 mill. LT Interest $144.8 mill.
Incl. $513.9 mill. securitized bonds.
(LT interest earned: 2.9x)
Leases, Uncapitalized Annual rentals $23.5 mill.
Pension Liability $33.6 mill. in '01 vs. None in '00
Pfd Stock $43.0 mill. Pfd Div'd $2.0 mill.
430,000 shs. 4.25%-4.78%, cum., redeemable at $102.80-$103.625. Excl. redemption & issuance costs & pfd. stock due within one year.
Common Stock 53,032,546 shs.
as of 3/15/02
MARKET CAP: $2.5 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+17.9	+3.3	+.6
Avg. Indust. Use (MWH)	943	1013	945
Avg. Indust. Revs. per KWH (¢)	8.75	8.50	10.90
Capacity at Peak (Mw)	NMF	NMF	NMF
Peak Load, Summer (Mw)	3070	4055	4527
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (avg.)	+7.5	+3.0	+.7
Fixed Charge Cov. (%)	251	231	238

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	4.0%	7.0%	*8.5%*
"Cash Flow"	2.0%	1.0%	*7.0%*
Earnings	5.5%	5.5%	*4.5%*
Dividends	2.0%	2.0%	*3.0%*
Book Value	4.0%	4.0%	*2.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	371.9	379.3	517.1	583.1	1851.4
2000	665.3	630.2	709.5	694.5	2699.5
2001	864.8	732.3	890.7	704.0	3191.8
2002	849.4	*650*	*800*	*750.6*	*3050*
2003	*900*	*700*	*850*	*800*	*3250*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.38	.76	1.32	.35	2.77
2000	.62	.57	1.21	.81	3.19
2001	.76	.63	1.36	.53	3.27
2002	.65	*.65*	*1.35*	*.70*	*3.35*
2003	*.75*	*.70*	*1.45*	*.75*	*3.65*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.47	.47	.47	.47	1.88
1999	.485	.485	.485	.485	1.94
2000	.50	.50	.50	.50	2.00
2001	.515	.515	.515	.515	2.06
2002	.53	.53			

BUSINESS: NSTAR is a holding company for Boston Edison Company, which supplies electricity to an area of approx. 590 sq. mi. in eastern Massachusetts, encompassing Boston and 39 surrounding towns and cities, and Commonwealth Energy (acq'd 8/99), which provides electric and gas service in eastern MA. Serves 1,086,000 electric, 246,000 gas customers. Electric rev. breakdown, '01: residential, 33%; commercial, 51%; industrial, 8%; other, 8%. Sold fossil plants in '98, nuclear plant in '99. Fuel costs: 60% of revs. '01 reported depr. rate: 3.0%. Has 3,300 employees, 29,900 common stockholders. Chairman & CEO: Thomas J. May. President & COO: Russell D. Wright. Inc.: MA. Address: 800 Boylston St., Boston, MA 02199-8003. Tel.: 617-424-2000. Internet: www.nstaronline.com.

NSTAR plans to spend $65 million this year in order to improve the reliability of its electric system. Last summer, the utility experienced an unusually high level of outages when temperatures soared. (Its peak load rose more than 11% in 2001.) The Massachusetts commission wound up fining NSTAR $3.9 million, but it could have been worse; the state attorney general had proposed a $22.5 million penalty. Of the $65 million NSTAR plans to spend, $54 million will be capitalized and $11 million will be included in expenses over the first three quarters of 2002. NSTAR is treating this as a nonrecurring item, but we aren't. As such, our $3.35-a-share earnings estimate is below the company's target of $3.45-$3.55. Even with the cost of the reliability program, earnings should rise in 2002, because unusually mild weather in the fourth quarter of 2001 made the comparison easier. The stock is ranked 5 (Lowest) for Timeliness.

We estimate a high-single-digit earnings increase in 2003. The bottom line will benefit from the absence of the above-normal system-reliability costs. In addition, mild winter weather persisted into the first quarter of 2002, and our estimates are based on normal weather patterns. Finally, an improving economy ought to have a positive effect on sales of electricity and gas.

This equity has performed very well so far this year. Investors are focusing more attention on dividend-paying stocks, such as NSTAR, especially since the company's board of directors has established a policy in recent years of increasing the dividend annually and consistently. The stock's top-notch Safety rank is another appealing feature. Its yield is about average by utility standards, but total-return potential to 2005-2007 is unexciting.

NSTAR remains a takeover candidate. There has been a lot of consolidation of utilities in the Northeast in recent years—including the deal that created NSTAR in 1999—so we believe the company could attract the attention of a prospective buyer. Such a deal, if it happens at all, isn't necessarily just around the corner, however. And we caution investors against buying a stock solely because it may be acquired.

Paul E. Debbas, CFA — *June 7, 2002*

(A) Basic EPS. Excl. nonrecurr. gains (losses): '89, ($2.78); '90, 41¢; '01, ($3.32) net. '99 & '00 EPS don't add due to change in shares; '01 due to rounding. Next earnings report due late July. (B) Next div'd meeting in mid-June. Goes ex in early July. Approx. div'd payment dates: 1st bus. day of Feb., May, Aug., Nov. ■ Div'd reinvestment plan avail. (C) Incl. deferred debits. In '01: $1.8 bill., $34.74/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '98: 11.75%; earned on avg. com. eq., '01: 12.1%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	90

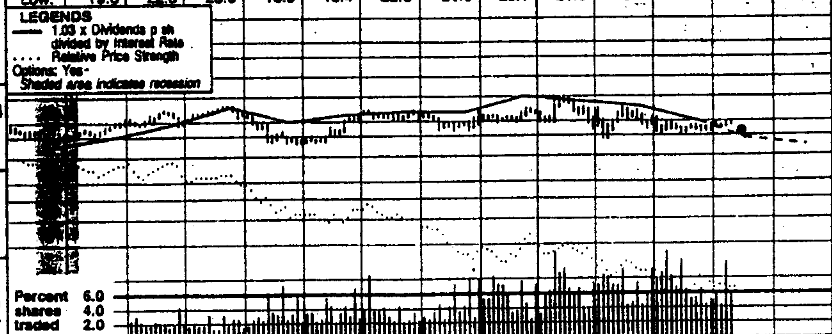
POTOMAC ELEC. PWR. NYSE-POM

RECENT PRICE 21.29 | P/E RATIO 10.9 (Trailing: 13.8; Median: 14.0) | RELATIVE P/E RATIO 0.57 | DIV'D YLD 4.7% | VALUE LINE 1719

														Target Price Range
High:	25.1	27.5	28.9	26.6	26.3	27.4	26.8	27.8	31.8	27.9	24.9	23.8		2005 | 2006 | 2007
Low:	19.6	22.6	23.9	18.3	18.4	23.6	21.0	23.1	21.3	19.1	20.1	21.2		

TIMELINESS 4 Lowered 5/3/02
SAFETY 2 Lowered 12/15/95
TECHNICAL 4 Lowered 5/10/02
BETA .50 (1.00 = Market)

LEGENDS
— 1.03 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(+40%)	13%
Low	25	(+15%)	9%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	1	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	71	82	90
to Sell	83	86	85
Hld's(000)	41034	46645	40216

Percent shares traded 6.0 4.0 2.0

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	9.4	6.3
3 yr.	-8.3	28.2
5 yr.	41.1	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
14.51	14.10	14.29	14.25	14.16	13.97	14.01	14.65	15.42	15.83	16.96	15.73	17.41	20.89	23.69	23.07	23.55	25.00	Revenues per sh	27.30
3.23	3.34	3.42	3.32	2.84	2.99	2.94	3.30	3.30	3.43	3.74	3.63	3.84	4.20	3.94	3.42	3.45	3.65	"Cash Flow" per sh	4.10
2.08	2.11	2.14	2.16	1.62	1.87	1.66	1.95	1.79	1.69	1.86	1.66	1.79	1.87	1.58	1.80	1.95	2.15	Earnings per sh A	2.45
1.18	1.30	1.38	1.46	1.52	1.56	1.60	1.64	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.17	1.00	1.00	Div'd Decl'd per sh B ■	1.12
2.32	2.55	2.89	3.52	4.21	3.89	3.13	2.74	2.68	1.95	1.52	1.83	1.74	1.69	2.04	2.29	1.90	1.90	Cap'l Spending per sh	1.90
11.84	12.61	13.22	14.23	14.39	15.45	15.95	16.60	16.54	15.79	15.94	15.72	15.84	16.12	16.82	17.00	17.75	18.90	Book Value per sh.	22.75
94.43	94.45	94.45	97.91	99.71	111.11	114.30	117.80	118.25	118.49	118.50	118.50	118.53	118.53	110.75	107.22	105.00	105.00	Common Shs Outst'g C	106.00
11.0	11.1	10.1	9.8	12.8	11.7	15.0	13.7	11.7	12.7	13.8	14.2	14.0	14.1	15.0	12.1	Bold figures are		Avg Ann'l P/E Ratio	11.0
.75	.74	.84	.74	.95	.75	.91	.81	.77	.85	.86	.82	.73	.80	.98	.62	Value Line		Relative P/E Ratio	.75
5.2%	5.6%	6.4%	6.9%	7.3%	7.1%	6.4%	6.1%	7.9%	7.7%	6.5%	7.0%	6.6%	6.3%	7.0%	5.3%	estimates		Avg Ann'l Div'd Yield	4.3%

CAPITAL STRUCTURE as of 3/31/02 E

Total Debt $2236.0 mill. Due in 5 Yrs $665.0 mill.
LT Debt $1747.9 mill. LT Interest $112.0 mill.
(LT interest earned: 3.0x)

Pfd Stock $209.8 mill. Pfd Div'd $14.4 mill.
Incl. 705,312 shs. $2.28 to $2.46 pfd. cum., $50 par, call. at $51 a sh.; 990,000 shs. $3.40 pref., $50 par; $125 million, 7.375%, trust originated pfd. secs.

Common Stock 107,125,976 shs.
MARKET CAP: $2.3 billion (Mid Cap)

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
1601.6	1725.2	1823.1	1876.1	2010.3	1863.5	2063.9	2476.0	2623.9	2473.6	2475	2625	Revenues ($mill)	2865
200.8	241.6	227.2	217.4	237.0	214.4	232.0	241.6	203.3	210.3	220	240	Net Profit ($mill)	270
27.3%	31.3%	34.5%	44.7%	25.1%	39.1%	36.0%	32.0%	37.3%	29.3%	30.0%	32.0%	Income Tax Rate	35.0%
14.8%	9.5%	8.3%	4.2%	6.0%	6.8%	2.4%	2.1%	--	--	NMF	NMF	AFUDC % to Net Profit	NMF
43.0%	41.6%	45.5%	48.1%	47.2%	49.2%	48.4%	57.3%	47.2%	45.9%	45.5%	44.5%	Long-Term Debt Ratio	42.5%
49.6%	51.2%	47.9%	45.4%	46.2%	44.5%	45.0%	38.2%	47.3%	48.5%	49.0%	50.0%	Common Equity Ratio	53.0%
3678.0	3817.3	4084.4	4122.4	4087.5	4191.2	4169.0	5002.3	3937.4	3755.4	3800	3975	Total Capital ($mill)	4525
3931.3	4131.1	4298.3	4400.3	4423.2	4486.3	4521.2	4524.4	2721.8	2753.4	2880	3000	Net Plant ($mill)	3389
7.2%	7.8%	7.2%	6.8%	7.4%	6.7%	7.1%	6.2%	7.3%	7.2%	7.5%	7.5%	Return on Total Cap'l	7.5%
9.6%	10.8%	10.2%	10.2%	11.0%	10.1%	10.8%	11.3%	9.8%	10.3%	10.5%	11.0%	Return on Shr. Equity	10.5%
10.2%	11.5%	10.8%	10.7%	11.7%	10.6%	11.4%	11.8%	10.1%	10.8%	11.0%	11.5%	Return on Com Equity D	11.0%
.4%	1.8%	.8%	.2%	1.3%	.1%	1.0%	1.5%	NMF	4.3%	5.5%	6.0%	Retained to Com Eq	6.0%
97%	85%	93%	98%	90%	99%	92%	88%	101%	63%	54%	50%	All Div'ds to Net Prof	49%

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+2.6	+1.8	+2.5
Avg. Resid'l Use (KWH) F	11091	10841	N/A
Avg. Resid'l Revs. per KWH(¢) F	8.38	8.74	N/A
Capacity at Peak (Mw)	6806	6806	N/A
Peak Load, Summer (Mw)	5927	5721	6140
Annual Load Factor (%)	54.7	57.8	N/A
% Change Customers (yr-end)	+1.2	+1.0	+.8
Fixed Charge Cov. (%)	242	230	227

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	5.0%	7.0%	3.0%
"Cash Flow"	2.5%	2.0%	1.0%
Earnings	-.5%	-.5%	6.0%
Dividends	--	-2.0%	-5.0%
Book Value	1.5%	.5%	5.5%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	511.0	604.7	858.3	502.0	2476.0
2000	529.2	653.1	835.7	605.9	2623.9
2001	581.7	622.5	766.5	502.9	2473.6
2002	499.2	600	825	550.8	2475
2003	580	645	835	565	2625

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.08	.61	1.25	d.07	1.87
2000	.07	.47	1.04	.05	a1.58
2001	.48	.45	.64	.23	1.80
2002	.22	.44	.90	.39	1.95
2003	.40	.45	.90	.40	2.15

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.415	.415	.415	.415	1.66
1999	.415	.415	.415	.415	1.66
2000	.415	.415	.415	.415	1.66
2001	.415	.25	.25	.25	1.17
2002	.25				

BUSINESS: Potomac Electric Power Co. supplies electricity to 719,687 customers in Washington, D.C. (39% of sales) and in adjoining areas of Maryland (61%). 2000 rev. breakdown: residential, 29.5%; commercial and government, 63.5%; other, 7.0%. There are no major industries that operate in the company's service area. Prime fuels (2000): coal, 69.9%; oil, 4.0%; gas, 6.6%; purch. & other, 19.5%. '01 depreciation rate: 3.9%. Pepco Holdings, Inc. (PHI) is a nonregulated subsidiary. Has about 2,565 employees, 55,345 com. stockholders. Chairman and CEO: John M. Derrick, Jr.; President and COO: D. Wraase. Inc.: District of Columbia & Virginia. Address: 1900 Pennsylvania Ave., N.W., Washington, D.C. 20068. Telephone: 202-872-2000. Internet: www.pepco.com.

Potomac Electric Power Co. likely will close on the purchase of Conectiv next quarter. Last month, District of Columbia regulators approved a settlement the companies reached with key intervenors. The D.C. action follows favorable Maryland and Delaware rulings on similar agreements. To advance the transaction, PEPCO has consented to holding distribution prices steady until 2007 in both the District and Maryland. The company also agreed to not consider raising tariffs in Delaware before May, 2006. In addition, PEPCO will provide funding for energy efficiency, economic development, and renewable resources programs, implement reliability safeguards, and absorb merger costs. One last settlement is now under the consideration of New Jersey regulators. (Pennsylvania and Virginia have approved the deal via the usual review process.) At the federal level, PEPCO is awaiting action by the SEC. (The FERC and DOJ have already handed down positive orders and stockholders have given the go-ahead.) We expect the purchase to be concluded by August.

The enlarged company, Pepco Holdings, should appeal to income investors. Electricity distribution operations will serve 1.8 million customers within an economically stable mid-Atlantic area. Participation in the Pennsylvania-New Jersey-Maryland regional transmission organization suggests good wholesale market opportunities. The utility likely will produce enough cash flow to maintain a solid dividend payout to 2005-2007, while meeting spending and debt obligations. As well, management should be able to keep finances strong, via debt reductions. Moreover, Pepco Holdings stands to realize incremental profits from noncore operations (i.e., mid-merit power supply, telecom, and energy services). PEPCO, on its own, offers a 3- to 5-year total-return potential on a par with the industry averages; Pepco Holdings should produce better returns.
At closure, PEPCO stockholders will receive one new share in Pepco Holdings for every share held. Conectiv investors will get $25 worth of Pepco stock and cash (pro rated 50/50) for each of their shares. The deal is worth $5.2 billion, including debt and preferred assumptions.

David M. Reimer — *June 7, 2002*

(A) Based on diluted shares. Excludes nonrecurring gains (losses): '97, (28¢); '98, (6¢); '99, 11¢; '00, $1.38; '01, (30¢). Next earnings report due late July. (B) Next dividend meeting in late July. Goes ex in early Sep. Div'd payment dates: 30th of Mar., June, Sep., Dec. ■ Div'd reinvest. plan avail. (C) In mill. (D) Rate allowed on common equity in MD: NA; DC: 11.1% ('95); earned on '01 average com. eq., 10.6%. Reg. climate: Avg. (E) Excludes PHI. (F) No industrial sales. (G) Does not add due to change in dilutive secs outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	15
Earnings Predictability	80

P.S. ENTERPRISE GP. NYSE-PEG

RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
46.00	11.5 (Trailing: 13.9; Median: 12.0)	0.61	4.7%	173

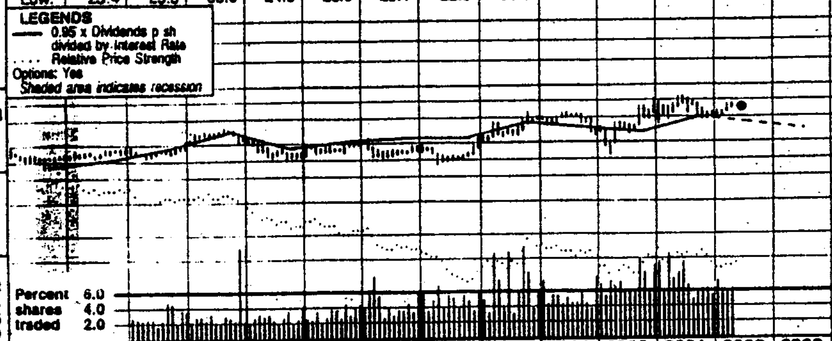
TIMELINESS	4	Lowered 12/21/01
SAFETY	2	New 7/27/90
TECHNICAL	3	Raised 5/10/02

BETA .55 (1.00 = Market)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	29.4	31.4	36.1	32.0	30.6	32.1	31.8	42.8	42.6	50.0	51.6	47.3	
Low:	25.4	25.5	30.0	24.0	26.0	25.1	22.9	30.3	32.0	25.7	36.9	40.5	

Target Price Range 2005 | 2006 | 2007

LEGENDS
— 0.95 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+50%)	14%
Low	50	(+10%)	7%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	1	0	0	0	0
Options	0	0	0	0	1	0	0	0	0
to Sell	0	0	0	0	1	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	108	138	144
to Sell	147	110	125
Hld's(000)	88366	100359	87899

Percent shares traded 6.0 4.0 2.0

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	4.7	6.3
3 yr.	31.2	28.2
5 yr.	149.5	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
22.23	20.51	21.40	22.78	21.97	22.47	22.76	23.41	24.18	25.19	25.88	27.46	25.57	30.02	45.67	47.68	44.40	46.35	Revenues per sh	52.15
4.72	4.96	5.30	5.10	5.05	5.10	4.68	5.14	5.35	5.46	5.16	5.13	5.66	5.65	5.41	6.28	6.60	7.10	"Cash Flow" per sh	8.55
2.81	2.55	2.57	2.62	2.56	2.43	1.97	2.71	2.78	2.71	2.46	2.41	2.79	3.12	3.55	3.70	4.00	4.25	Earnings per sh A	5.00
1.95	1.99	2.01	2.05	2.09	2.13	2.16	2.16	2.16	2.16	2.16	2.16	2.16	2.16	2.16	2.16	2.16	2.16	Div'd Decl'd per sh B■	2.32
5.15	3.28	3.50	4.87	5.58	4.38	3.40	3.54	3.47	3.18	2.51	2.34	2.31	2.69	4.61	9.97	9.00	8.30	Cap'l Spending per sh	6.15
17.92	18.54	19.11	19.85	20.44	21.01	20.32	21.07	21.71	22.25	22.33	22.47	21.98	18.46	19.21	20.10	22.45	24.55	Book Value per sh C	32.05
202.32	205.35	205.35	211.10	218.47	226.70	235.40	243.69	244.70	244.70	233.47	231.96	231.98	216.42	207.97	205.84	210.00	210.00	Common Shs Outst'g E	210.00
9.2	10.0	9.3	9.9	10.1	11.2	14.1	12.3	9.9	10.4	11.2	10.9	12.7	12.5	10.3	12.0	Bold figures are	Value Line	Avg Ann'l P/E Ratio	12.0
.62	.67	.77	.75	.75	.72	.86	.73	.65	.70	.70	.63	.66	.71	.67	.61	estimates		Relative P/E Ratio	.80
7.5%	7.8%	8.4%	7.9%	8.1%	7.8%	7.8%	6.5%	7.9%	7.6%	7.8%	8.2%	6.1%	5.5%	5.9%	4.9%			Avg Ann'l Div'd Yield	3.9%

CAPITAL STRUCTURE as of 12/31/01
Total Debt $12852.0 mill. Due in 5 Yrs $4199.0 mill.
LT Debt $10301.0 mill. LT Interest $669.3 mill.
(LT interest earned: 2.8x)
Pension Liability $447.7 mill. in '01, vs. $118.0 in '99
Pfd Stock $760.0 mill. Pfd Div'd $58.9 mill.
795,234 shs. 4.08% to 6.92%, cum. $100 par, call: from $102.75 to $103.00 a sh.; 2,400,000 shs. 8.00% $25 par; 3,800,000 shs. 8.125% to 8.165%; 15,150,000 shs. 7.25% to 7.44%.
Common Stock 205,839,018 shs.
MARKET CAP: $9.5 billion (Large Cap)

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
5356.8	5705.6	5915.8	6164.2	6041.3	6370.0	5931.0	6497.0	9498.0	9815.0	9320	9730	Revenues ($mill)	10950
490.1	689.6	721.2	712.2	648.0	616.0	724.0	780.0	858.0	842.0	885	945	Net Profit ($mill)	1105
31.1%	31.3%	30.2%	33.2%	30.9%	34.8%	36.7%	41.9%	36.4%	30.7%	31.0%	31.0%	Income Tax Rate	31.0%
8.3%	4.8%	6.5%	6.0%	2.8%	3.2%	1.8%	--	--	2.0%	4.0%	4.0%	AFUDC % to Net Profit	2.0%
48.8%	48.2%	46.6%	46.1%	43.7%	45.5%	43.3%	46.8%	50.4%	67.8%	65.5%	64.0%	Long-Term Debt Ratio	58.5%
46.3%	46.6%	47.3%	47.9%	49.8%	48.2%	45.8%	40.9%	38.1%	27.2%	30.0%	31.5%	Common Equity Ratio	37.5%
10318	11023	11231	11373	10475	10819	11119	9779.0	10501	15198	15775	16415	Total Capital ($mill)	18000
10471	10604	11098	11187	11179	11050	10876	7078.0	7702.0	10064	11410	12550	Net Plant ($mill)	14425
7.1%	8.4%	8.5%	8.2%	8.0%	7.3%	8.2%	9.5%	9.8%	7.4%	7.5%	8.0%	Return on Total Cap'l	8.0%
9.3%	12.1%	12.0%	11.6%	11.0%	10.5%	11.5%	15.0%	16.5%	17.2%	16.0%	16.0%	Return on Shr. Equity	14.5%
9.6%	12.7%	12.8%	12.2%	11.5%	10.7%	12.6%	17.2%	19.1%	18.6%	17.5%	17.5%	Return on Com Equity D	15.5%
NMF	2.5%	2.8%	2.5%	1.4%	1.1%	2.8%	5.3%	7.5%	7.8%	8.0%	8.5%	Retained to Com Eq	8.5%
109%	81%	79%	81%	89%	90%	80%	73%	65%	62%	57%	54%	All Div'ds to Net Prof	49%

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+1.0	+.8	+2.1
Avg. Indust. Use (MWH)	919	NA	NA
Avg. Indust. Revs. per KWH (¢)	7.38	6.59	7.05
Capacity at Peak (Mw)	9796	11167	11487
Peak Load, Summer (Mw)	9369	9369	10060
Annual Load Factor (%)	50.5	NA	NA
% Change Customers (yr-end)	+.7	+.3	+.8
Fixed Charge Cov. (%)	265	248	224

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	6.5%	10.5%	4.0%
"Cash Flow"	1.5%	1.5%	6.5%
Earnings	3.0%	5.5%	6.5%
Dividends	.5%	--	1.0%
Book Value	-.5%	-2.5%	8.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	1795	1436	1606	1660	6497.0
2000	2483	2155	2207	2653	9498.0
2001	2814	2176	2401	2424	9815.0
2002	2515	2050	2350	2405	9320
2003	2625	2150	2450	2505	9730

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.85	.83	.83	.61	3.12
2000	1.25	.66	.66	.98	3.55
2001	1.25	.68	.82	.95	3.70
2002	.87	.90	1.05	1.18	4.00
2003	1.15	.90	1.00	1.20	4.25

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.54	.54	.54	.54	2.16
1999	.54	.54	.54	.54	2.16
2000	.54	.54	.54	.54	2.16
2001	.54	.54	.54	.54	2.16
2002	.54				

BUSINESS: Public Service Enterprise Group, Inc., parent of Public Service Electric and Gas Company, sells electricity (42% of revenues) and gas (23%) in New Jersey; nonutility including investments abroad (35%). Electric revenue mix: residential, 32%; commercial, 46%; industrial, 15%; other, 7%. Principal electric industrial customers: chemical and allied products, petroleum refining. Fuels (2001): coal, 24%; nuclear, 60%; natural gas, 9%; oil, 1%; other, 6%. Power costs: 42% of revenues; labor costs, 12%. 2001 deprec. rate: 3.3%. Estimated plant age: 9 years. Has 13,391 employees, 119,944 common shareholders. Chrmn., Pres. & CEO: E.J. Ferland. Incorp.: New Jersey. Address: 80 Park Plaza, Newark, New Jersey 07101. Tel.: 973-430-6564. Internet: www.pseg.com.

Conditions in Argentina have created problems for Public Service Enterprise Group. At yearend 2001, PSEG's Global subsidiary had an investment of $632 million in this South American country. In the first quarter of 2002, it wrote off $31 million ($0.15 a share) against this investment because the Argentina peso's delinkage from the U.S. dollar resulted in it being paid with devalued currency, while it had to pay its bond indebtedness in dollars. To make matters worse, restructuring rules prohibited Global from raising rates until mid-2003, even though its costs were rising. What's more, last February, AES terminated its agreement to buy Global's minority interest in certain Argentina assets, on the grounds that the political risk permitted it to do so. The two parties are discussing means of resolving the matter amicably. Under a worst-case situation, if Global ceased all operations in Argentina, PSEG would have to take a write-off of $600 million.

The company has filed for higher rates. It seeks a $250 million increase in electric distribution revenues. The request includes $187 million in base rates attributable to its investment of $1.7 billion in distribution facilities since the last rate case, $18 million in depreciation rates, and $45 million in various other expenses. It also calls for an 11.75% allowed return on equity, down from the current 12%. If approved, the petition would be effective August 1, 2003.

Our 2002 earnings estimate is highly tentative. If no further charges against Argentina operations surface, we look for an 8% rise in current-year earnings, to $4.00 a share. The increase would result largely from strong wholesale sales and profits from new plants in Chile, India, and California. But additional write-offs related to Argentina could reduce earnings sharply, both this year and next. The stock is untimely.

On balance, we rate the stock an average electric utility holding. The yield is fractionally above the industry norm, and completion of new plants at home and abroad suggest solid earnings growth to 2005-2007. But conservative accounts might avoid investing here until uncertainties in Argentina are resolved.

Arthur H. Medalie *June 7, 2002*

(A) EPS basic. Excl. nonrecur. gains (losses): '86, $1.38; '92, 20¢; '93, (21¢); '95, 9¢; '96, 6¢; '99, net; ($3.49). Next earnings report due late July. (B) Next div'd meeting mid-July. Goes ex early Sept. Div'd payment dates about: March 31, June 29, Sept. 30, Dec. 30. ■ Div'd reinvest. plan available. (C) Incl. intangibles. In '01: $28.10/sh. (D) Rate base: net original cost. Rate allowed on com. eq. in '93: 12.0%; earned on '01 avg. com. eq.: 18.9%. Regul. Clim.: Average. (E) In mill., adj. for stock split.

Company's Financial Strength	B+
Stock's Price Stability	100
Price Growth Persistence	25
Earnings Predictability	85

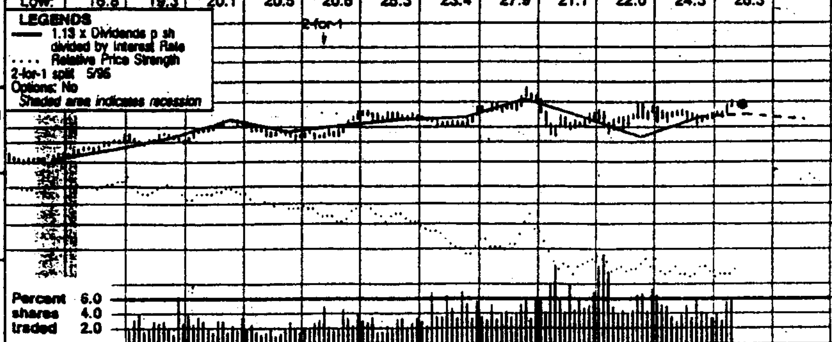
SCANA CORP. NYSE-SCG

RECENT PRICE	31.01	P/E RATIO	12.7 (Trailing: 14.2; Median: 13.0)	RELATIVE P/E RATIO	0.67	DIV'D YLD	4.3%	VALUE LINE	175

TIMELINESS 3 Raised 10/19/01
SAFETY 2 Lowered 9/10/99
TECHNICAL 3 Raised 2/15/02
BETA .45 (1.00 = Market)

	High	Low
1990	22.1	16.8
1991	22.4	19.3
1992	26.1	20.1
1993	25.1	20.5
1994	28.6	20.6
1995	28.6	25.3
1996	29.9	23.4
1997	37.3	27.9
1998	32.6	21.1
1999	31.1	22.0
2000	30.0	24.3
2001	32.1	26.3

Target Price Range 2005 | 2006 | 2007



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+45%)	13%
Low	35	(+15%)	7%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	81	81	92
to Sell	67	76	70
Hld's(000)	36988	37770	37602

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	19.0	6.3
3 yr.	20.6	28.2
5 yr.	114.2	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
13.67	13.85	13.44	13.94	13.86	14.07	12.96	13.56	13.77	13.06	14.25	14.19	15.76	15.93	32.78	32.95	*29.60*	*32.00*	Revenues per sh	*38.75*
2.64	2.75	2.71	2.79	2.85	3.10	2.78	3.50	3.77	3.68	3.75	3.53	3.62	3.15	4.43	4.55	*4.60*	*4.90*	"Cash Flow" per sh	*5.75*
1.52	1.60	1.50	1.52	1.66	1.69	1.42	1.86	1.60	1.86	2.05	1.90	2.12	1.44	2.12	2.15	*2.45*	*2.60*	Earnings per sh A	*3.25*
1.12	1.16	1.20	1.23	1.26	1.31	1.34	1.37	1.41	1.44	1.47	1.51	1.54	1.32	1.15	1.20	*1.30*	*1.38*	Div'd Decl'd per sh B■	*1.60*
1.79	2.15	2.27	2.25	2.81	2.93	3.16	3.46	4.21	3.09	2.34	2.45	2.87	2.37	3.28	4.99	*6.50*	*7.40*	Cap'l Spending per sh	*3.75*
10.38	10.82	11.11	11.39	12.28	12.62	13.23	14.30	14.69	15.00	15.86	16.66	16.86	20.27	19.40	20.95	*20.75*	*22.00*	Book Value per sh C	*28.50*
80.59	80.59	80.59	80.59	81.76	81.57	87.82	93.24	98.04	103.62	106.18	107.32	103.57	103.57	104.73	104.73	*104.73*	*104.73*	Common Shs Outst'g D	*104.73*
11.7	10.4	10.4	10.7	10.0	11.3	14.5	12.8	14.0	12.3	13.1	13.4	14.5	17.5	12.5	12.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.5*
.79	.70	.86	.81	.74	.72	.88	.78	.92	.82	.82	.77	.75	1.00	.81	.64			Relative P/E Ratio	*.85*
6.3%	7.0%	7.7%	7.5%	7.6%	6.9%	6.5%	5.8%	6.3%	6.3%	5.5%	5.9%	5.0%	5.2%	4.3%	4.4%			Avg Ann'l Div'd Yield	*4.0%*

CAPITAL STRUCTURE as of 12/31/01
Total Debt $3600.0 mill. Due in 5 Yrs $1936.0 mill.
LT Debt $2696.0 mill. LT Interest $191.0 mill.
Incl. $50 million 7.55% Mandatorily Redeemable Preferred Securities. (LT interest earned: 2.5x)
Pension Liability None
Pfd Stock $116.0 mill. Pfd Div'd $7.0 mill.
125,209 shs. 5% cum., $50 par., call. $52.50; 220,287 shs. 4.50% to 6.00% cum., $50 par, call. $50.50 to $51.00; 1,000,000 shs. 6.52% cum., $100 par, call. $100.00.
Common Stock 104,728,268 shs. as of 2/28/02
MARKET CAP: $3.2 billion (Mid Cap)

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
1138.4	1264.2	1322.1	1353.0	1512.8	1523.0	1632.0	1650.0	3433.0	3451.0	*3100*	*3350*	Revenues ($mill)	*4050*
124.1	174.2	157.2	189.7	220.7	213.0	235.0	160.0	228.0	231.0	*260*	*280*	Net Profit ($mill)	*335*
32.9%	34.5%	34.2%	36.2%	35.0%	32.8%	35.8%	41.0%	38.2%	34.9%	*37.5%*	*38.0%*	Income Tax Rate	*38.5%*
7.9%	8.7%	9.8%	11.5%	5.9%	6.1%	6.8%	4.4%	3.9%	11.3%	*14.0%*	*14.0%*	AFUDC % to Net Profit	*4.0%*
49.2%	50.2%	50.9%	49.4%	47.4%	44.5%	45.9%	40.8%	57.4%	53.9%	*55.0%*	*51.5%*	Long-Term Debt Ratio	*43.5%*
47.4%	47.0%	46.6%	48.3%	50.5%	50.8%	49.4%	54.8%	40.3%	43.8%	*43.0%*	*46.5%*	Common Equity Ratio	*54.5%*
2448.8	2836.3	3023.6	3215.8	3334.1	3522.0	3536.0	3829.0	5048.0	5006.0	*5085*	*4975*	Total Capital ($mill)	*5075*
2810.3	3004.1	3293.7	3469.0	3529.0	3648.0	3764.0	3829.0	4475.0	4803.0	*5280*	*5795*	Net Plant ($mill)	*6175*
7.0%	7.9%	7.0%	7.7%	8.3%	7.7%	8.4%	5.9%	6.6%	6.9%	*7.0%*	*7.5%*	Return on Total Cap'l	*8.0%*
10.0%	12.3%	10.6%	11.7%	12.6%	10.9%	12.3%	7.1%	10.6%	10.0%	*11.5%*	*11.5%*	Return on Shr. Equity	*11.5%*
10.1%	12.6%	10.7%	11.8%	12.8%	11.4%	12.8%	7.1%	10.9%	10.2%	*12.0%*	*12.0%*	Return on Com Equity E	*12.0%*
.7%	3.4%	1.4%	2.9%	3.7%	2.4%	3.4%	--	4.8%	4.6%	*5.5%*	*5.5%*	Retained to Com Eq	*6.0%*
93%	74%	88%	76%	72%	80%	74%	99%	57%	56%	*55%*	*54%*	All Div'ds to Net Prof	*52%*

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+1.6	+6.7	-3.0
Avg. Indust. Use (MWH)	6762	7001	NA
Avg. Indust. Revs. per KWH (¢)	3.76	3.76	NA
Capacity at Yearend (Mw)	4483	4544	NA
Peak Load, Summer (Mw)	4158	4211	NA
Annual Load Factor (%)	58.1	61.1	NA
% Change Customers (yr-end)	+1.2	+2.6	+1.9
Fixed Charge Cov. (%)	250	223	210

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	7.0%	14.5%	*6.0%*
"Cash Flow"	3.5%	1.5%	*6.0%*
Earnings	1.5%	.5%	*9.5%*
Dividends	-.5%	-3.0%	*4.5%*
Book Value	5.5%	6.0%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	397.0	375.0	480.0	398.0	1650.0
2000	821.0	662.0	816.0	1134.0	3433.0
2001	1318.0	740.0	710.0	683.0	3451.0
2002	822.0	*700*	*800*	*778*	*3100*
2003	*900*	*750*	*850*	*850*	*3350*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.36	.23	.65	.20	1.44
2000	.72	.27	.56	.57	2.12
2001	.71	.29	.61	.54	2.15
2002	.74	*.36*	*.73*	*.62*	*2.45*
2003	*.80*	*.39*	*.76*	*.65*	*2.60*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.377	.385	.385	.385	1.53
1999	.385	.385	.385	.275	1.43
2000	.275	.288	.288	.288	1.14
2001	.288	.30	.30	.30	1.19
2002	.30	.325			

BUSINESS: SCANA Corporation is a holding co. for South Carolina Electric & Gas Company, which supplies electricity to 547,000 customers in South Carolina. Supplies gas & transmission service to 1,000,000 customers in North & South Carolina & Georgia. Has investments in gas & telecommunications. Acquired P.S. of North Carolina 2/00. Electric rev. breakdown, '01: residential, 38%; commercial, 29%; industrial, 18%; other, 15%. Generating sources: coal, 71%; nuclear, 21%; hydro, 4%; purchased, 4%. Fuel costs: 61% of revs. '01 reported deprec. rate: 3.1%. Has 5,500 employees, 41,700 com. stockholders. Chairman, President & CEO: William B. Timmerman. Inc.: SC. Address: 1426 Main St., Columbia, SC 29201-2845. Tel.: 803-217-9000. Internet: www.scana.com.

SCANA has sold part of its stake in Deutsche Telekom (DT). SCANA sold 21 million of its 39.3 million shares at a price of $14.82 a share shortly after it wrote down the value of its holdings from $20.30 a share to $14.09 a share. SCANA will use the proceeds of $250 million to retire debt. The company plans to sell its remaining stake "in a prudent and timely manner," but since the timing and price of the sale are unknown, we have not factored it into our estimates and projections. Although SCANA recorded a net loss of $149 million ($1.42 a share) on the sale, its investment (which it wrote up in 2001 after DT bought Powertel) has still been a net positive, given that its initial investment in Powertel is equivalent to $6.43 a DT share.

A significant generating project is nearing completion, and another one is planned for 2004. South Carolina Electric & Gas is spending an estimated $256 million to expand a coal-fired station and convert it to gas. This project, which is scheduled for completion this month, will add 300 megawatts to the utility's generating capacity. We expect SCE&G to file a rate case by yearend in order to place the cost of the facility in the rate base. Preliminary work is under way for an 875-mw plant at an estimated cost of $450 million, scheduled for completion in 2004. This, too, should eventually be reflected in the utility's tariffs. Even so, the price increases needed will likely be moderate.

We estimate that earnings will increase significantly this year, followed by a more modest rise in 2003. The cessation of goodwill amortization will add $0.14 a share to the bottom line. SCE&G should also benefit from average annual electric and gas sales growth of 2.4% and 1.5%, respectively. And the debt reduction resulting from the DT sale proceeds will boost share net by $0.04 annually. We expect earnings to climb 6% in 2003, which is at the low end of SCANA's targeted annual growth rate of 6%-8%.

We continue to have a neutral stance toward this stock. It has performed well so far this year as investors have renewed their interest in traditional utility equities. Its yield and 3- to 5-year total-return potential are about average by utility standards.

Paul E. Debbas, CFA — *June 7, 2002*

(A) Excl. nonrecurring gains (losses): '90, 57¢; '95, (16¢); '97, 16¢; '99, 29¢; '00, 28¢; '01, net $3.00; 1Q '02, ($1.42); 2Q '02, 9¢. Next earnings report due late July. (B) Next div'd meeting in early Aug. Goes ex in early Sept. Div'd payment dates: 1st of Jan., Apr., July, Oct. ■ Div'd reinvestment plan available. (C) Incl. intangibles. In '01: $1.2 bill., $11.25/sh. (D) In millions, adj. for split. (E) Rate base: Net original cost. Rate allowed on common equity in '96 (elec.): 12.0%; earned on avg. com. eq., '01: 10.2%. Regulatory Climate: Below Average.

Company's Financial Strength	A-
Stock's Price Stability	100
Price Growth Persistence	15
Earnings Predictability	75

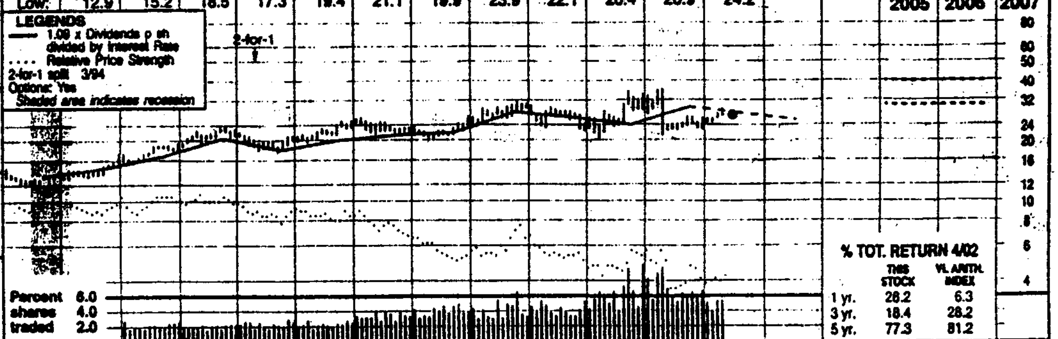
SOUTHERN CO. NYSE-SO

RECENT PRICE 27.28 | P/E RATIO 15.6 (Trailing: 16.3; Median: 14.0) | RELATIVE P/E RATIO 0.82 | DIV'D YLD 5.0% | VALUE LINE 176

TIMELINESS — 6
SAFETY 2 Lowered 12/8/00
TECHNICAL — 6
BETA NMF (1.00 = Market)

	High:	17.4	19.5	23.6	22.1	25.0	25.9	28.3	31.6	29.6	35.0	35.7	28.7
	Low:	12.9	15.2	18.5	17.3	19.4	21.1	19.9	23.9	22.1	20.4	20.9	24.2

LEGENDS
— 1.09 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 3/94
Options: Yes
Shaded area indicates recession



2005-07 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+45%)	14%
Low	30	(+10%)	7%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	1	0
Options	0	1	9	0	0	0	0	4	4
to Sell	0	2	10	0	0	0	0	4	4

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	188	235	220
to Sell	179	148	162
Hld's(000)	245786	244688	240809

% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	28.2	6.3
3 yr.	18.4	28.2
5 yr.	77.3	81.2

In September 2000, Southern conducted an initial public offering in its global independent power marketing and trading subsidiary, called Mirant. Issuing 66.7 million shares, the company and Mirant shared $1.8 billion in gross proceeds. In April 2001, management spun off the remaining 80.3% stake in Mirant to Southern investors; 0.4 of a common share in the subsidiary was distributed for each common share in the parent held. A full-page report on Mirant Corp. can be found in Issue 6.

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
12.76	13.21	12.63	13.70	15.30	18.41	16.32	17.39	14.76	14.53	*14.60*	*15.05*	Revenues per sh A	*17.75*
3.04	3.13	3.22	3.52	3.64	3.90	4.25	4.17	3.89	3.54	*3.30*	*3.45*	"Cash Flow" per sh	*4.05*
1.51	1.57	1.52	1.66	1.68	1.58	1.73	1.83	2.01	1.61	*1.75*	*1.85*	Earnings per sh B	*2.30*
1.10	1.14	1.18	1.22	1.26	1.30	1.34	1.34	1.34	1.34	*1.34*	*1.38*	Div'd Decl'd per sh C■	*1.50*
1.75	2.24	2.34	2.09	1.82	2.71	2.87	3.84	3.26	3.74	*3.95*	*2.90*	Cap'l Spending per sh	*2.95*
11.43	11.96	12.46	13.09	13.61	14.08	14.02	13.82	15.67	11.42	*12.00*	*12.65*	Book Value per sh D	*15.40*
632.92	642.66	657.00	670.00	677.00	685.00	698.63	666.00	682.00	699.00	*710.00*	*720.00*	Common Shs Outst'g E	*750.00*
11.5	13.5	12.9	13.2	13.8	14.0	15.7	14.3	13.2	14.6	*Bold figures are*	*Value Line estimates*	Avg Ann'l P/E Ratio	*15.0*
.70	.80	.85	.88	.86	.81	.82	.82	.86	.74			Relative P/E Ratio	*1.00*
6.3%	5.4%	6.0%	5.6%	5.5%	5.9%	4.9%	5.1%	5.0%	5.7%			Avg Ann'l Div'd Yield	*4.3%*
8073.0	8489.0	8297.0	9180.0	10358	12611	11403	11585	10066	10155	*10350*	*10850*	Revenues ($mill) A	*13300*
1057.0	1095.0	1076.0	1191.0	1234.0	1245.0	1372.0	1457.0	1501.0	1306.0	*1420*	*1510*	Net Profit ($mill)	*1905*
36.5%	38.2%	38.9%	39.2%	37.8%	36.9%	24.1%	25.6%	31.0%	29.9%	*30.0%*	*30.0%*	Income Tax Rate	*34.0%*
2.1%	2.0%	2.7%	2.1%	1.9%	1.6%	1.8%	1.9%	--	2.5%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*1.5%*
45.7%	45.1%	44.1%	44.9%	42.8%	46.4%	45.9%	48.2%	37.1%	43.8%	*44.5%*	*45.0%*	Long-Term Debt Ratio	*45.5%*
45.7%	46.8%	47.6%	47.4%	49.7%	43.5%	42.9%	37.8%	50.6%	42.2%	*42.0%*	*42.5%*	Common Equity Ratio	*44.5%*
15834	16429	17211	18510	18553	22158	22817	24372	21147	18925	*20155*	*21500*	Total Capital ($mill)	*26000*
16489	20013	21117	23026	23269	23652	24124	24544	21622	23084	*24775*	*26050*	Net Plant ($mill)	*30100*
8.8%	8.5%	7.9%	7.9%	8.1%	7.1%	7.6%	7.8%	8.4%	8.1%	*8.5%*	*8.5%*	Return on Total Cap'l	*9.0%*
12.3%	12.1%	11.2%	11.7%	11.6%	10.5%	11.1%	11.5%	11.3%	12.3%	*12.5%*	*13.0%*	Return on Shr. Equity	*13.5%*
13.2%	13.0%	12.1%	12.6%	12.2%	11.2%	12.2%	13.6%	12.3%	14.0%	*14.5%*	*14.5%*	Return on Com Equity F	*15.0%*
3.6%	3.6%	2.7%	3.3%	3.0%	2.0%	2.7%	3.6%	4.1%	2.5%	*3.5%*	*3.5%*	Retained to Com Eq	*5.0%*
76%	75%	79%	75%	77%	84%	81%	77%	71%	85%	*80%*	*78%*	All Div'ds to Net Prof	*69%*

CAPITAL STRUCTURE as of 3/31/02
Total Debt $11,017 mill. Due in 5 Yrs $5,340 mill.
LT Debt $8,932 mill. LT Interest $670 mill.
(LT interest earned: 3.9x)
Pfd Stock $2,644 mill. Pfd Div'd $186 mill.
Incl. 960,000 shs 4.2%-7.0%, $100 par; 6 mill. shs. 5.2%-5.83%, $25 par; $70 mill. 3.10%-3.56% auction, all cum. pfd. Incl. $435 mill. 6.85%-7.00%; $327 mill. 7.13%-7.38%; $415 mill. 7.60%-7.63%; $649 mill. 7.75%; $400 mill. 8.14%-9.00%; $50 mill. auct. rate, $25 liq. val. pfd., all mand. redeem.
Common Stock 794,486,641 shs. as of 4/30/02
MARKET CAP: $19.2 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+1.7	+4.3	-3.2
Avg. Indust. Use (MWH)	3747	4053	3778
Avg. Indust. Revs. per KWH (¢)	3.98	4.03	4.05
Capacity at Peak (Mw)	31425	32807	34579
Peak Load, Summer (Mw)	30578	31359	29700
Annual Load Factor (%)	59.2	60.2	62.0
% Change Customers (yr-end)	+2.0	+1.9	+1.4
Fixed Charge Cov. (%)	213	232	257

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	2.5%	2.5%	*3.0%*
"Cash Flow"	3.0%	2.0%	*.5%*
Earnings	3.5%	2.5%	*2.5%*
Dividends	2.5%	2.0%	*2.0%*
Book Value	2.5%	1.0%	*.5%*

Cal-endar	QUARTERLY REVENUES (mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	2442	2791	3736	2616	11585
2000	2052	2522	3198	2294	A10066
2001	2269	2562	3165	2159	10155
2002	2214	*2600*	*3250*	*2286*	*10350*
2003	*2300*	*2725*	*3425*	*2400*	*10850*

Cal-endar	EARNINGS PER SHARE B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.32	.45	.89	.17	1.83
2000	.38	.52	.95	.16	2.01
2001	.26	.40	.79	.16	1.61
2002	.32	*.42*	*.84*	*.17*	*1.75*
2003	*.35*	*.45*	*.85*	*.20*	*1.85*

Cal-endar	QUARTERLY DIVIDENDS PAID ■ C Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.335	.335	.335	.335	1.34
1999	.335	.335	.335	.335	1.34
2000	.335	.335	.335	.335	1.34
2001	.335	.335	.335	.335	1.34
2002	.335	.335			

BUSINESS: The Southern Company's five operating subsidiaries supply electricity to about 122,000 square miles of Georgia (50% of 2001 revenues); Alabama (35%); Florida (7%); and Mississippi (8%). Revenue distrib. ('01): residential, 39%; industrial, 25%; commercial, 35%; other, 1%. Textile, chemical, and paper companies are largest customer groups, accounting for the bulk of industrial revenues. Fuel sources ('01): coal, 68%; nuclear, 15%; hydro, 3%; oil and gas, 8%; purch. pwr, 6%. Fuel & Purchased Power costs: 39% of '01 electricity revs. Has 26,120 employees, 150,240 shareholders of record. '01 deprec. rate: 3.6%. Chrmn, Pres., and CEO: A. Franklin. Inc.: Del. Addr.: 64 Perimeter Center East, Atlanta, GA 30346. Tel.: 404-393-0650. Internet: www.southernco.com.

Southern Co.'s share net might well recover to the peak level recorded in 1999. Despite softness in the southeast economy, which reduced retail industrial power sales by 2.2%, the company was able to lift share earnings to $0.32 in the March quarter, above our estimate of $0.29 and the year-earlier result of $0.26. Good customer growth, relatively normal temperatures, and reasonable rate treatment in Alabama, Georgia, and Mississippi helped to raise residential and commercial sales by a strong 2.8% and 1.3%, respectively. (Note: Narrow-margin wholesale business fell modestly in the period.) Reduced interest expense was another plus to the bottom line. We're still confident that SO will achieve share net between $1.70 and $1.75 this year. Likely adequate rate relief in the Gulf Power and Savannah Power service areas would support this premise and our call for a complete earnings rebound to $1.85 in 2003.

Further expansion of the company's competitive operations augurs well for the pull to 2005-2007. By the end of 2004, management expects to have a marketable wholesale generation base of just over 5,000 megawatts, which may well have the ability to produce $200 million in net income. (In 2000, these operations added $100 million to total earnings.) The majority of capacity will be gas-fired, since such plants are economical to construct and operate, relative to coal and nuclear plants. Also by mid-decade, Southern should realize an additional $50 million in net profit from its utility-related products and services businesses (i.e., energy management, lighting, and wholesale telecom).

The stock offers a better yield and 3- to 5-year dividend growth potential than most other electric utility equities. SO's regulated utility business provides dependable cash flows to meet annual spending, debt, preferred equity, and common dividend requirements. Deregulation has been slow to come to the Southeast because electricity prices have been below the national averages for quite some time. Factoring in competitive operations, Southern's earnings should advance a strong 5% a year and the dividend a solid 2%-3% a year to 2005-2007. Income investors would do well to invest in this issue.

David M. Reimer *June 7, 2002*

(A) '00 Restated to reflect Mirant spinoff. (B) Includes Mirant earnings in '00 of 49¢. Next earnings report due late July. (C) Next dividend meeting and ex dates in late July. Div'd pmnt dates: the 6th of Mar., June, Sep., and Dec. ■ Div'd reinvest. plan avail. (D) Incl. def'd chgs. In '01, $1.32/sh. (E) In mill., adj. for split. (F) Rate base: AL, MS, fair val.; FL, GA, orig. cost. All'd return on com. eq.: 10.0%-14.5%. Earn. on avg. com. eq., '01: 13.51%. Reg. Clim.: AL, GA, MS-Avg.; FL-Above Avg. (G) Ranks suspended due to 4/2/01 Mirant spinoff.

Company's Financial Strength	A
Stock's Price Stability	NMF
Price Growth Persistence	NMF
Earnings Predictability	NMF

TECO ENERGY, INC. NYSE-TE

RECENT PRICE	P/E RATIO	(Trailing / Median)	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
25.86	11.0	Trailing: 11.5; Median: 15.0	0.58	5.5%	177

TIMELINESS 3 Lowered 6/22/01
SAFETY 1 Raised 9/12/97
TECHNICAL 3 Raised 5/3/02
BETA .55 (1.00 = Market)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
High:	20.9	21.1	25.9	22.6	25.8	27.0	28.2	30.6	28.2	33.2	33.0	29.0
Low:	15.8	18.0	20.2	18.1	20.0	23.0	22.8	24.8	18.4	17.3	24.8	23.4

Target Price Range 2005 | 2006 | 2007

2005-07 PROJECTIONS

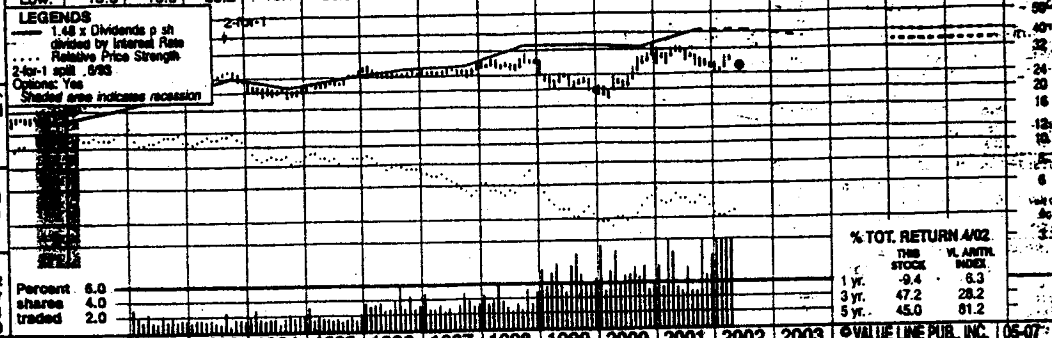
	Price	Gain	Ann'l Total Return
High	40	(+55%)	15%
Low	35	(+35%)	12%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	1	0	0	4	1	0
Options	0	1	1	1	1	0	1	2	1
to Sell	0	1	0	0	0	0	1	1	1

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	134	172	187
to Sell	126	135	131
Hld's(000)	58687	59717	64696



% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	-9.4	6.3
3 yr.	47.2	28.2
5 yr.	45.0	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	©VALUE LINE PUB., INC.	05-07
7.97	8.56	9.11	9.33	9.65	10.10	10.29	11.10	11.55	11.90	12.53	14.23	14.63	15.01	18.17	18.97	19.35	22.00	Revenues per sh	34.60
1.69	1.87	2.00	2.16	2.29	2.43	2.54	2.70	2.80	3.08	3.28	3.34	3.25	3.28	4.11	4.31	4.55	4.95	"Cash Flow" per sh	5.65
.86	.98	1.07	1.18	1.23	1.28	1.30	1.30	1.32	1.60	1.71	1.61	1.52	1.53	1.97	2.24	2.35	2.40	Earnings per sh A	2.50
.62	.66	.70	.75	.80	.85	.90	.95	1.00	1.05	1.11	1.17	1.23	1.29	1.33	1.37	1.41	1.45	Div'd Decl'd per sh B	1.60
1.42	1.19	1.20	1.38	2.22	3.59	2.22	2.34	2.64	3.70	2.28	1.62	2.24	3.23	5.45	6.92	3.50	3.00	Cap'l Spending per sh	2.50
6.67	6.90	7.29	7.73	7.30	7.80	8.31	8.89	9.27	9.98	10.73	11.04	11.42	10.73	11.93	14.12	12.90	13.50	Book Value per sh C	16.00
113.17	113.34	113.50	113.58	113.70	114.22	114.97	115.62	116.92	116.96	117.60	130.90	132.00	132.10	126.30	139.60	155.00	150.00	Common Shs Outst'g D	130.00
12.8	11.6	10.9	10.7	11.9	13.9	15.1	17.9	15.0	13.8	14.3	15.4	17.8	14.2	11.9	12.9	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.0
.87	.78	.90	.81	.88	.89	.92	1.06	.98	.92	.90	.89	.93	.81	.77	.66			Relative P/E Ratio	1.00
5.6%	5.8%	6.0%	6.0%	5.5%	4.8%	4.6%	4.1%	5.0%	4.7%	4.5%	4.7%	4.5%	5.9%	5.7%	4.8%			Avg Ann'l Div'd Yield	4.6%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $3270.2 mill. Due in 5 Yrs $1660 mill.
LT Debt $1842.5 mill. LT Interest $142.0 mill.

(LT interest earned: 4.4x)

Pension Liability None

Pfd Stock None

Common Stock 140,300,000 shs.
MARKET CAP: $3.6 billion (Mid Cap)

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
1183.2	1283.9	1350.9	1392.3	1473.0	1862.3	1958.1	1983.0	2295.1	2648.6	3000	3300	Revenues ($mill)	4500
152.6	150.3	156.7	189.7	202.5	211.9	200.4	200.9	250.9	303.7	370	388	Net Profit ($mill)	325
27.0%	26.8%	22.6%	23.8%	28.1%	30.9%	28.8%	30.2%	6.9%	31.0%	31.0%	31.0%	Income Tax Rate	31.0%
.7%	1.4%	3.6%	10.2%	11.3%	.1%	--	.9%	.9%	3.0%	4.0%	4.5%	AFUDC % to Net Profit	5.0%
50.9%	49.1%	47.3%	44.9%	43.7%	42.8%	45.9%	46.0%	47.7%	48.3%	46.0%	46.5%	Long-Term Debt Ratio	43.0%
48.4%	48.3%	50.1%	52.6%	55.4%	57.2%	54.1%	54.0%	52.3%	51.7%	54.0%	53.5%	Common Equity Ratio	54.0%
2059.2	2125.8	2163.1	2216.6	2278.4	2524.9	2787.4	2625.6	2881.5	3814.1	3850	4000	Total Capital ($mill)	4550
2381.9	2483.0	2620.3	2874.3	2958.6	3236.5	3307.6	3627.8	3970.1	4838.3	4975	5120	Net Plant ($mill)	5350
8.8%	8.7%	8.9%	10.1%	10.5%	10.2%	9.0%	9.8%	10.7%	9.7%	11.5%	11.5%	Return on Total Cap'l	11.0%
15.1%	13.9%	13.8%	15.5%	15.8%	14.7%	13.3%	14.2%	16.7%	15.4%	16.5%	16.5%	Return on Shr. Equity	15.5%
15.6%	14.3%	14.1%	16.0%	15.9%	14.6%	13.3%	14.2%	16.7%	15.4%	16.5%	16.5%	Return on Com Equity E	16.5%
4.8%	4.0%	3.8%	5.8%	5.8%	4.5%	2.6%	2.3%	5.5%	6.1%	6.5%	6.5%	Retained to Com Eq	5.5%
70%	73%	74%	64%	64%	70%	81%	84%	67%	61%	60%	61%	All Div'ds to Net Prof	64%

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	-1.3	+5.2	+2.0
Avg. Indust'l Use (MWH)	3580	3600	3610
Avg. Indust'l Revs. per KWH (¢)	4.52	4.52	4.54
Capacity at Peak (Mw)	3608	3960	3991
Peak Load, Summer (Mw)	3372	3504	2899
Annual Load Factor (%)	N.A.	N.A.	N.A.
% Change Customers (yr-end)	+2.8	+3.0	+2.7
Fixed Charge Cov. (%)	341	247	254

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	6.0%	7.5%	12.0%
"Cash Flow"	5.5%	5.0%	6.5%
Earnings	4.5%	4.5%	4.5%
Dividends	5.0%	5.0%	3.0%
Book Value	5.0%	4.0%	4.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	445.4	491.7	555.9	490.0	1983.0
2000	524.4	559.6	614.7	596.4	2295.1
2001	670.2	641.8	678.8	657.8	2648.6
2002	740.3	709.7	800	750	3000
2003	750	800	875	875	3300

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.37	.40	.43	.33	1.53
2000	.42	.46	.65	.44	1.97
2001	.53	.53	.71	.47	2.24
2002	.54	.56	.74	.51	2.35
2003	.53	.57	.75	.55	2.40

Cal-endar	QUARTERLY DIVIDENDS PAID B = Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.295	.31	.31	.31	1.23
1999	.31	.325	.325	.325	1.29
2000	.325	.335	.335	.335	1.33
2001	.335	.345	.345	.345	1.37
2002	.345	.355			

BUSINESS: TECO Energy, Inc. is a holding company for Tampa Electric, serving nearly half a million customers in central west Florida. Megawatt-hours sold: residential, 45%; industrial, 14%; commercial, 33%; other, 8%. Over 99% of Tampa Electric's electric generation is from coal-fired plants. TECO also mines coal, develops unregulated power projects, is involved in coal-bed methane-gas production, and owns real estate. Acq. Lykes Energy, 6/97. 2000 depreciation rate: 4.1%. TECO has 6,315 empls.; Tampa Electric, 2,823. 23,029 common stkhldrs. Officers & directors own 2.2% of common stock (3/02 proxy). Chrmn., Pres. & CEO: Robert D. Fagan. Inc.: Florida. Addr.: 702 N. Franklin St., Tampa, FL 33602. Tel.: 813-228-4111. Internet: www.tecoenergy.com.

TECO Energy continues to benefit from strong customer growth. Although mild winter weather lowered retail energy sales by 4.8% in the first quarter, versus the prior year, customer growth increased by an impressive 2.6%. A steady stream of people and businesses are relocating into the utility's service territory. All told, we look for Tampa Electric's customer base to advance by close to 3% in 2002, roughly double that of the average utility under our review. In the meantime, earnings from TECO's diversified businesses rose by nearly 50% in 2001, and now comprise 39% of the company's total share net, up from 34% in 2000. Most of the nonregulated gains were derived from the company's power systems group. TECO appears well positioned to profit from rising deregulation in the utility industry.

The company has replaced Enron subsidiary, NEPCO, on its two biggest power projects in the U.S. TECO Power Services, along with its joint partner, Panda Energy, recently signed a deal with SNC-Lavalin Constructors to replace NEPCO and to complete the engineering and construction of the 2,205-megawatt Union Power Station and the 2,145-megawatt Gila River Power Station. The Union project is located in El Dorado, Arkansas, and the Gila River plant is located in Gila Bend, Arizona. TECO Power has also signed contracts with SNC-Lavalin to replace NEPCO and complete two additional 599-megawatt plants in Dell, Arkansas and Kosciusko, Mississippi. Cost overruns are estimated to be around $117 million, and appear to be quite small compared to the $3.4 billion total cost of the four projects.

TECO is selling an additional 13.5 million shares this month. The proceeds will be used to reduce debt and for general corporate purposed. Despite the added dilution, the company still expects to see 5% share-net growth this year.

Conservative, income-oriented investors should consider these shares. The stock's 3- to 5-year total return potential is attractive, reflecting the healthy growth prospects of both TECO's regulated and nonregulated operations. The stock is an average selection for the year ahead.

Perry H. Roth *June 7, 2002*

(A) Diluted earnings. Excl. nonrecurring gains (losses): '88, (6¢); '93, 10¢; '97, (6¢); '99, (11¢). Next earnings report due late July. (B) Next dividend meeting mid-July. Next ex date late July. Dividend payment dates: 15th of Feb., May, Aug., Nov. = Div'd reinvestment plan avail. (C) Incl. deferred charges. In '01, $558.8 mill., $4.00/sh. (D) In mill., adjusted for split. (E) Rate base: net original cost. Allowed return on common equity in '95: 12.75%. Earned on '01 avg. common equity: 17.5%. Regulatory Climate: Above Average.

Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	20
Earnings Predictability	85

UIL HOLDINGS NYSE-UIL

RECENT PRICE 55.95 | P/E RATIO 13.6 (Trailing: 13.3; Median: 11.0) | RELATIVE P/E RATIO 0.72 | DIV'D YLD 5.1% | VALUE LINE 178

High:	39.1	42.0	45.9	40.0	38.6	40.0	46.0	54.2	53.6	56.0	53.0	58.9	
Low:	30.0	34.1	38.5	28.8	29.4	31.1	23.8	41.7	38.9	37.9	43.8	50.8	

Target Price Range 2005 | 2006 | 2007

TIMELINESS 4 Lowered 4/26/02
SAFETY 2 Raised 9/10/99
TECHNICAL 3 Lowered 4/5/02
BETA .50 (1.00 = Market)

2005-07 PROJECTIONS

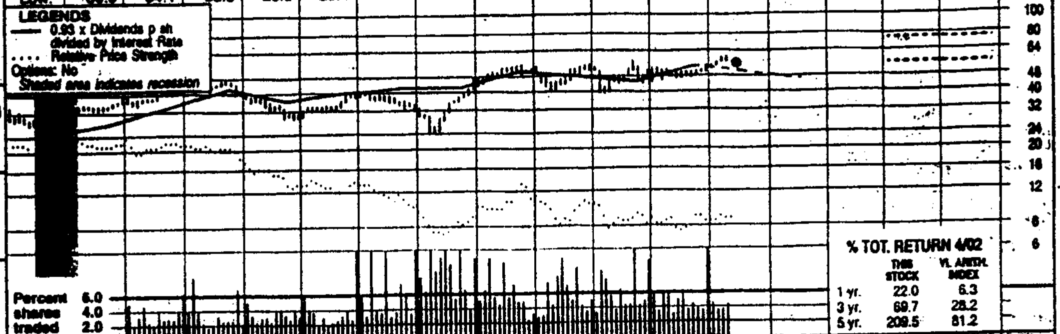
	Price	Gain	Ann'l Total Return
High	75	(+35%)	11%
Low	55	(Nil)	5%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	3	2	3
to Sell	0	0	0	0	0	0	3	1	3

Institutional Decisions

	3Q2001	4Q2001	1Q2002
to Buy	40	52	46
to Sell	41	33	40
Hld's(000)	3978	4388	4393



% TOT. RETURN 4/02

	THIS STOCK	VL ARITH. INDEX
1 yr.	22.0	6.3
3 yr.	69.7	28.2
5 yr.	209.5	81.2

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	© VALUE LINE PUB., INC.	05-07
33.83	35.83	37.37	38.25	42.75	48.33	47.55	46.37	46.62	48.97	51.49	51.07	48.89	48.35	62.58	76.92	80.30	84.50	Revenues per sh	97.20
8.43	9.78	10.68	10.25	7.02	7.98	8.16	8.17	7.94	8.19	8.01	8.99	8.89	7.78	9.21	11.02	11.00	10.55	"Cash Flow" per sh	11.15
5.97	5.99	7.54	5.31	3.55	3.22	3.17	3.13	3.19	3.64	3.16	3.27	3.00	3.71	4.26	4.21	4.10	4.20	Earnings per sh A	4.40
2.32	2.32	2.32	2.32	2.32	2.44	2.56	2.66	2.76	2.82	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	Div'd Decl'd per sh B ■	2.88
13.25	11.14	6.03	5.55	4.61	4.53	4.73	6.73	4.48	4.21	3.35	2.40	2.71	2.47	3.85	3.36	4.80	3.80	Cap'l Spending per sh	2.80
40.50	44.02	34.11	26.11	27.35	28.84	30.12	30.06	30.39	31.20	31.20	31.56	31.74	32.59	34.03	35.42	36.85	38.15	Book Value per sh C	42.60
13.89	13.89	13.89	13.89	13.89	13.93	14.03	14.08	14.09	14.10	14.10	13.91	14.03	14.06	14.08	14.12	14.50	14.50	Common Shs Outst'g E	14.50
5.3	4.5	3.0	5.3	8.3	10.6	11.9	13.6	10.5	9.3	11.4	10.1	16.3	12.6	10.8	11.5	Bold figures are	Value Line	Avg Ann'l P/E Ratio	15.0
.36	.30	.25	.40	.62	.68	.72	.80	.69	.62	.71	.58	.85	.72	.70	.59	estimates		Relative P/E Ratio	1.00
7.4%	8.6%	10.2%	8.2%	7.9%	7.2%	6.8%	6.2%	8.2%	8.3%	8.0%	8.8%	5.9%	6.2%	6.2%	5.9%			Avg Ann'l Div'd Yield	4.4%

CAPITAL STRUCTURE as of 3/31/02
Total Debt $821.1 mill. Due in 5 Yrs. $329.2 mill.
LT Debt $500.5 mill. LT Interest $43.5 mill.
Incl. investment in Seabrook obligation bonds.
(LT interest earned: 3.4x)
Leases, Uncapitalized: Ann. rentals $10.4 mill.
Pension Liability $38 mill. in '01 vs. None in '00

Pfd Stock None

Common Stock 14,454,353 shs. as of 4/30/02
MARKET CAP: $800 million (Small Cap)

1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		05-07
687.3	653.0	658.8	690.4	726.0	710.3	686.2	680.0	880.9	1085.8	1140	1200	Revenues ($mill)	1380
48.6	53.6	48.2	50.4	43.1	45.8	42.2	52.2	59.9	59.4	58.0	60.0	Net Profit ($mill)	63.0
50.1%	38.3%	48.3%	54.3%	55.2%	47.4%	56.0%	56.0%	44.5%	44.8%	45.0%	45.0%	Income Tax Rate	45.0%
6.7%	7.6%	7.2%	5.5%	5.5%	3.5%	1.1%	4.3%	4.4%	3.2%	3.0%	3.0%	AFUDC % to Net Profit	2.0%
65.5%	64.9%	60.6%	62.8%	60.6%	57.3%	57.7%	50.5%	52.2%	49.9%	49.0%	48.0%	Long-Term Debt Ratio	45.0%
30.2%	30.7%	35.7%	32.7%	35.1%	38.0%	37.7%	44.6%	47.8%	50.1%	51.0%	52.0%	Common Equity Ratio	55.0%
1401.0	1379.4	1198.9	1346.2	1254.2	1154.8	1180.8	1026.5	1001.3	998.6	1020	1040	Total Capital ($mill)	1105
1336.0	1361.1	1357.3	1345.7	1322.3	1273.6	1226.4	521.5	550.7	546.4	515	480	Net Plant ($mill)	280
8.6%	6.8%	7.1%	6.1%	6.1%	6.7%	5.4%	7.1%	7.9%	8.1%	8.0%	8.0%	Return on Total Cap'l	7.5%
10.0%	11.1%	10.2%	10.1%	8.7%	9.3%	8.4%	10.3%	12.5%	11.9%	11.0%	11.0%	Return on Shr. Equity	10.5%
10.5%	11.6%	10.4%	11.0%	9.7%	10.4%	9.4%	11.4%	12.5%	11.9%	11.0%	11.0%	Return on Com Equity D	10.5%
2.1%	2.9%	1.4%	2.0%	.5%	1.2%	.4%	2.5%	4.0%	3.8%	3.5%	3.5%	Retained to Com Eq	3.5%
82%	77%	86%	82%	95%	89%	96%	78%	68%	68%	70%	69%	All Div'ds to Net Prof	68%

ELECTRIC OPERATING STATISTICS

	1999	2000	2001
% Change Retail Sales (KWH)	+3.7	--	+1.2
Avg. Indust. Use (MWH)	666	664	634
Avg. Indust. Revs. per KWH (¢)	8.64	8.46	8.80
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	1273	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.5	+.6	+.4
Fixed Charge Cov. (%)	316	344	313

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '99-'01 to '05-'07
Revenues	4.0%	5.0%	7.5%
"Cash Flow"	1.0%	3.0%	3.0%
Earnings	--	4.0%	1.5%
Dividends	2.0%	.5%	Nil
Book Value	2.0%	2.0%	4.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	168.7	164.5	199.1	147.7	680.0
2000	204.2	194.8	247.1	234.8	880.9
2001	242.2	262.5	313.6	267.5	1085.8
2002	258.3	270	330	281.7	1140
2003	275	285	345	295	1200

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1999	.70	.99	1.78	.24	3.71
2000	1.20	1.26	1.34	.46	4.26
2001	.67	1.08	1.77	.69	4.21
2002	.67	.80	1.85	.98	4.10
2003	.70	.75	1.80	.95	4.20

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1998	.72	.72	.72	.72	2.88
1999	.72	.72	.72	.72	2.88
2000	.72	.72	.72	.72	2.88
2001	.72	.72	.72	.72	2.88
2002	.72	.72			

BUSINESS: UIL Holdings, parent of The United Illuminating Company, provides electricity to 318,000 customers in largely urban and suburban southern Connecticut. Revenue distribution: residential, 42%; commercial, 41%; industrial, 15%; other, 2%. Largest industrial customers: primary metals, fabricated metal products, transportation equipment. Has two primary nonregulated business units: American Payment Systems and Xcelecom. Fuel costs: 38% of revenues; labor costs, 11%. '01 deprec. rate: 3.3%. Est'd plant age: 13 years. Has 2,589 employees, 11,912 stockholders. Chairman, CEO & President: Nathaniel D. Woodson. Inc.: Connecticut. Address: 157 Church Street, P.O. Box 1564, New Haven, Connecticut 06506-0901. Tel.: 203-499-2394. Internet: www.uil.com.

UIL Holdings awaits an order on its electric rate filing. Since 1997, the company had been allowed to earn 11.5% on its utility assets. On earnings above that return, one-third was refunded to ratepayers, one-third was retained by shareholders, and the balance was applied to amortization of regulatory assets. The plan expired at the end of 2001. At the commission's request, UIL filed a proposal that would be effective for five years. The plan would maintain the current 11.5% allowed return, but shareholder retention above that figure would be increased to 50%. The filing seeks no increase in existing rates. Starting in 2004, transmission rates would be equal to charges set by the Federal Energy Regulatory Commission. An order on the filing is due shortly.

The company has an agreement to sell its interest in the Seabrook 1 nuclear plant. It has a 203-megawatt stake in the 1,150-megawatt facility. In a recent auction, FPL Group, a Florida-based company, won the right to buy 88% of the unit, including UIL's entire share. Though the sale price will fall below the plant's book value, the deficiency will involve no write-offs, since legislation guarantees full recovery of any stranded costs through a charge paid by all ratepayers over 12 years. We expect a closing by yearend.

Earnings may be a tad lower in 2002. The elimination of last year's amortization of goodwill for Xcelecom will add $0.15 a share to net. The absence of Seabrook 1's extended outage in 2001 and lower interest costs are additional pluses. On the down side, second-quarter earnings will be substantially below those of 2001 because of the planned outage of the United Bridgeport Energy plant. Our full-year 2002 earnings estimate of $4.10 a share assumes no change resulting from the pending rate case. A likely improvement in noncore operations suggests a small gain next year. The stock is untimely.

These shares are of interest largely because of their above-average yield. But we look for no dividend hike for a while because of the increasing importance of noncore businesses, which generally distribute a lesser percentage of profits than the utility sector. On balance, we rate UIL an average utility holding.

Arthur H. Medalie *June 7, 2002*

(A) EPS basic. Excl. nonrecur. gains (losses): '88 net, ($2.51); '89, ($11.22); '91, 45¢; '92, 59¢; '93, (56¢); '94, (10¢); '96, 28¢; '00, net 6¢. Next egs. report due late July. (B) Next div'd mtg. late July. Goes ex early Sept. Div'd pay't dates: Jan. 1, April 1, July 1, Oct. 1. ■ Div'd reinvest. plan avail. (C) Incl. deferred chgs. & regul. assets. In '01: $64.05/sh. (D) Rate base: orig. cost. Rate allowed on common equity in '97: 11.5%. Earned on average common equity in '01: 12.1%. Regul. Clim.: Above Average. (E) In millions.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	30
Earnings Predictability	75